News United States Department of Labor

Bureau of Labor Statistics Washington, D.C. 20212

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USDL-77-831
TRANSMISSION OF MATERIAL IN THIS RELEASE IS EMBARGOED UNTIL 9:00 A.M. (E.D.T.), Wednesday, September 21, 1977

REAL EARNINGS IN AUGUST 1977

Preliminary real earnings figures for August--covering full-time and part-time workers on production or nonsupervisory jobs in the private nonfarm sector of the American economy--were released today by the Bureau of Labor Statistics of the U.S. Department of Labor. (Real earnings--or earnings in constant dollars--are calculated by adjusting earnings in current dollars for changes in the Consumer Price Index.)

*Real gross average weekly earnings decreased 0.6 percent from July to August after allowance for the usual seasonal variation. This decrease was due to a 0.3 percent increase in the Consumer Price Index combined with a 0.3 percent decrease in average weekly hours. Average hourly earnings were unchanged. (See table A.)

Over the year, real average weekly earnings were down 0.2 percent. Average weekly hours decreased 0.5 percent and the Consumer Price Index rose 6.6 percent, offsetting a 7.0 percent increase in average hourly earnings. (Before adjustment for the increase in the Consumer Price Index and seasonal change, average weekly earnings were $190.37 in August, compared with $178.97 a year earlier. See table 1.)

*Real spendable earnings--average real weekly pay of all workers reduced by Social Security and Federal income tax rates applicable to a married worker with three dependents who earned the average amount--decreased 0.6 percent from the July level, seasonally adjusted. This decrease was due to the 0.6 percent decline in real gross average weekly earnings.

Over the year, real spendable earnings increased 2.8 percent. This increase was primarily due to the change in the standard deduction resulting from the Tax Reduction and Simplification Act of 1977 which became effective June 1, 1977.

Table A. Composition of change in real earnings (production or nonsupervisory workers on private nonfarm payrolls)

Month	(1) Average hourly earnings	(2) Average weekly hours	(3) Average weekly earnings	(4) Consumer price index	(5) Real average weekly earnings	(6) Average tax effect 1/	(7) Real spendable earnings 2/
	Percent change from preceding month, seasonally adjusted						
1976							
Aug.	0.6	0.0	0.6	0.5	0.1	0.1	3/
Sept.	0.2	-0.3	-0.1	0.3	-0.4	3/	-0.4
Oct.	0.6	0.3	0.9	0.3	0.5	0.1	0.4
Nov.	1.0	0.3	1.3	0.3	1.0	0.2	0.8
Dec.	0.4	0.0	0.4	0.4	0.0	0.1	-0.1
1977							
Jan.	1.0	-1.1	-0.1	0.8	-0.9	3/	-0.9
Feb.	0.4	1.4	1.8	1.0	0.8	0.3	0.5
March	0.6	0.0	0.6	0.6	3/	0.1	-0.1
April	1.0	-0.3	0.7	0.8	-0.1	0.1	-0.2
May	0.6	0.3	0.9	0.6	0.2	0.1	0.1
June	0.4	-0.3	0.1	0.6	-0.4	-4.0	3.5
July p	0.8	-0.3	0.5	0.4	0.1	0.1	3/
Aug. p	0.0	-0.3	-0.3	0.3	-0.6	3/	-0.6
	Percent change from same month a year ago						
1976							
Aug.	7.0	0.0	7.0	5.6	1.3	1.7	-0.4
Sept.	6.9	-0.3	6.6	5.5	1.0	1.7	-0.7
Oct.	6.9	0.0	6.9	5.3	1.5	1.7	-0.2
Nov.	6.8	-0.3	6.5	5.0	1.5	1.7	-0.2
Dec.	7.0	-0.3	6.7	4.8	1.8	1.7	0.1
1977							
Jan.	7.4	-1.7	5.6	5.2	0.4	0.8	-0.3
Feb.	7.4	-0.3	7.1	6.0	1.0	1.0	3/
March	7.4	0.3	7.7	6.4	1.2	1.1	0.1
April	7.7	0.6	8.3	6.8	1.5	1.2	0.3
May	7.5	0.0	7.5	6.7	0.7	1.1	-0.4
June	7.6	0.0	7.6	6.9	0.7	-2.9	3.6
July p	7.8	-0.3	7.5	6.7	0.8	-2.9	3.7
Aug. p	7.0	-0.5	6.4	6.6	-0.2	-3.1	2.8

Note: The following relationships hold approximately:
column (1) + column (2) = column (3)
column (3) - column (4) = column (5)
column (5) - column (6) = column (7)

p = preliminary

1/ Effect of the change in average social security and federal income tax rates for a married worker with 3 dependents who earned the average weekly earnings. The spendable earnings data for the seven month period June-December 1977 are calculated from formulas which reflect the full amount of the tax reductions for the entire year 1977. To compare tax liabilities over the year, these series should be calculated using annual average formulas which reflect the tax reduction over the entire twelve month period.

2/ Workers with 3 dependents who earned the average weekly earnings.

3/ Less than 0.05.

*The Hourly Earnings Index in dollars of constant purchasing power decreased 0.2 percent from July. Compared with a year ago, the index was unchanged. (See tables 2 and 3.) The index excludes the effects of overtime in manufacturing and of interindustry shifts, such as the shift of workers between high-wage and low-wage industries.

Spendable earnings are calculated by taking the average weekly pay for all production or nonsupervisory jobs, both full-time and part-time, and then deducting social security and Federal income taxes applicable to a single worker or to a married worker with three dependents who made this amount.

Real spendable earnings, or purchasing power, represents the buying power of the spendable earnings of a worker earning the average pay and with the applicable deductions, after allowance for price changes from the 1967 base period, that is, adjustment by the Consumer Price Index.

The earnings series from which spendable and real spendable earnings are derived—gross average weekly earnings—is an arithmetic average of the earnings of all production or nonsupervisory jobs, including part-time jobs. Therefore, it is less than the average weekly earnings of full-time wage earners. It should be noted that the series on spendable earnings represents only the average earnings for those rank-and-file workers whose weekly pay approximates the averages indicated. The actual earnings level of married workers with three dependents tends to be higher than the average figures given above, since married workers with three dependents are generally older and more experienced and thus likely to command higher hourly wage rates and work more hours. Month-to-month and year-to-year changes in actual spendable earnings for this worker might also differ from the average estimates presented in this release.

The hourly earnings index is designed to measure underlying wage movements for production or nonsupervisory workers in the private nonfarm economy. It is adjusted to exclude the effects of two types of changes that are not related to underlying wage rate developments: overtime in manufacturing (the only sector for which overtime data are available) and interindustry employment shifts, such as shifts of workers between high-wage and low-wage industries.

Seasonally adjusted data are preferred by some users for analyzing general earnings trends in the economy since they eliminate the effect of changes that normally occur at the same time and in about the same magnitude each year and, therefore, reveal the underlying cyclical trends. These changes in average earnings may be due to seasonal changes in the proportion of workers in high-wage and low-wage industries or occupations, or to seasonal changes in the amount of overtime work, and so on. The seasonally adjusted data are presented in table 2.

For a comprehensive discussion of the spendable earnings series and hourly earnings index, and their relation to other wage data, see the following articles: Jack Alterman, "Compensation per Man-Hour and Take Home Pay," *Monthly Labor Review,* June 1971; Thomas Gavett, "Measures of Change in Real Wages and Earnings," *Monthly Labor Review,* February 1972; Norman Samuels, "Developing a General Wage Index," *Monthly Labor Review,* March 1971; Paul Schwab, "Two Measures of Purchasing Power Contrasted," *Monthly Labor Review,* April 1971; and Michael Buso and Eric Dymtrow, "Changes in the Spendable Earnings Series for 1977: The Effect of the Tax Reduction and Simplification Act of 1977," *Employment and Earnings,* August 1977.

The Bureau of Labor Statistics also publishes a set of series on annual after-tax earnings which are derived from the Current Population Survey. These data reflect the actual annual earnings of heads of households with various sizes and compositions. They are discussed in detail by Paul M. Ryscavage in the article, "Annual Earnings of Household Heads," *Monthly Labor Review,* August 1975. Current data are in the press release "Real After Tax Annual Earnings of Household Heads in Production and Nonsupervisory Jobs, 1974."

Table 1. Earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

Industry	Gross average hourly earnings			Hourly earnings index [1] (1967 = 100)			Gross average weekly earnings			Spendable average weekly earnings [2]					
										Married worker with 3 dependents			Worker with no dependents		
	Aug. 1976	July 1977p	Aug. 1977p	Aug. 1976	July 1977p	Aug. 1977p	Aug. 1976	July 1977p	Aug. 1977p	Aug. 1976	July 1977p	Aug. 1977p	Aug. 1976	July 1977p	Aug. 1977p
TOTAL PRIVATE: [3]															
Current dollars	$4.89	$5.24	$5.23	186.3	198.4	198.6	$178.97	$191.26	$190.37	$158.52	$174.48	$173.78	$145.84	$158.33	$157.69
1967 dollars	2.84	2.87	2.85	108.3	108.6	108.3	104.11	104.74	103.86	92.22	95.55	94.81	84.84	86.71	86.03
Mining:															
Current dollars	6.29	6.85	6.85	201.2	216.1	218.3	259.15	299.35	287.70	219.30	255.14	246.85	204.30	230.50	222.98
1967 dollars	3.66	3.75	3.74	117.1	118.3	119.1	150.76	163.94	156.96	127.57	139.73	134.67	118.85	126.23	121.65
Contract construction:															
Current dollars	7.71	8.00	8.02	187.4	194.8	195.2	292.21	302.40	298.34	244.58	257.26	254.43	227.74	232.48	229.84
1967 dollars	4.49	4.38	4.38	109.0	106.7	106.5	169.99	165.61	162.76	142.28	140.89	138.81	132.48	127.32	125.39
Manufacturing:															
Current dollars	5.21	5.64	5.64	186.1	199.4	200.3	208.40	226.16	226.16	180.63	200.87	200.87	167.15	182.90	182.90
1967 dollars	3.03	3.09	3.08	108.2	109.2	109.2	121.23	123.86	123.38	105.08	110.01	109.59	97.24	100.16	99.78
Transportation and public utilities:															
Current dollars	6.56	6.91	6.93	201.5	210.5	211.0	265.02	279.86	278.59	223.84	241.13	240.20	208.50	217.95	217.13
1967 dollars	3.82	3.78	3.78	117.2	115.3	115.1	154.17	153.26	151.99	130.22	132.05	131.04	121.29	119.36	118.46
Wholesale and retail trade:															
Current dollars	3.98	4.28	4.26	179.4	192.7	192.0	136.51	145.95	145.27	127.38	137.41	136.77	114.43	124.66	124.15
1967 dollars	2.32	2.34	2.32	104.4	105.5	104.7	79.41	79.93	79.25	74.10	75.25	74.62	66.57	68.27	67.73
Finance, insurance, and real estate:															
Current dollars	4.40	4.58	4.60	172.0	179.4	180.0	162.36	168.09	168.36	145.78	156.20	156.41	133.85	141.42	141.63
1967 dollars	2.56	2.51	2.51	100.1	98.2	98.2	94.45	92.05	91.85	84.81	85.54	85.33	77.87	77.45	77.27
Services:															
Current dollars	4.32	4.66	4.65	188.5	202.5	202.1	146.88	157.51	157.17	134.44	147.87	147.60	122.22	133.35	133.09
1967 dollars	2.51	2.55	2.54	109.7	110.9	110.2	85.45	86.26	85.74	78.21	80.98	80.52	71.10	73.03	72.61

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[1] Adjusted for overtime (manufacturing only) interindustry employment shifts.

[2] Spendable earnings are calculated by deducting social security and Federal income taxes applicable to the gross average weekly earnings of all production or nonsupervisory workers. The data for spendable earnings for the seven month period June-December 1977 are calculated from formulas which reflect the full amount of the tax reduction for the entire year 1977. To compare tax liabilities over the year, these series should be calculated using annual average formulas which reflect the tax reduction impact spread over the entire twelve month period.

A technical note on the calculation and uses of the spendable earnings series is available on request.

[3] Data relate to production and related workers in mining and manufacturing; construction workers in contract construction; and nonsupervisory workers in transportation and public utilities, trade, finance, insurance, and real estate, and services. Included in this group are approximately four-fifths of all workers on private industry payrolls.

p=preliminary.

Table 2. Earnings of production or nonsupervisory workers on total private nonagricultural payrolls, seasonally adjusted

Series	1976					1977							
	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July[p]	Aug.[p]
Gross average hourly earnings:													
Current dollars	$4.91	$4.92	$4.95	$5.00	$5.02	$5.07	$5.09	$5.12	$5.17	$5.20	$5.22	$5.26	$5.26
1967 dollars	2.86	2.85	2.86	2.88	2.88	2.89	2.87	2.87	2.88	2.87	2.87	2.88	2.87
Hourly earnings index[1] (1967=100):													
Current dollars	186.8	187.5	188.4	189.7	190.6	192.7	193.2	194.1	195.3	196.5	197.5	198.9	199.1
1967 dollars	108.7	108.7	108.9	109.3	109.4	109.7	109.0	108.8	108.6	108.6	108.6	108.9	108.7
Gross average weekly earnings:													
Current dollars	$177.25	$177.12	$178.70	$181.00	$181.72	$181.51	$184.77	$185.86	$187.15	$188.76	$188.96	$189.89	$189.36
1967 dollars	103.17	102.74	103.29	104.32	104.32	103.37	104.21	104.18	104.09	104.34	103.88	103.99	103.36
Spendable average weekly earnings[2]:													
Current dollars	157.22	157.13	158.31	160.04	160.58	160.42	162.87	163.69	164.66	165.87	172.67	173.41	172.99
1967 dollars	91.51	91.14	91.51	92.24	92.18	91.36	91.86	91.75	91.58	91.69	94.93	94.97	94.43

[1] See footnote 1, table 1.

[2] Calculated for married worker with 3 dependents who earned the average weekly earnings.

p = preliminary.

Table 3. Percentage change[1] over the year in earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

August 1976 — August 1977

Industry	Hourly earnings index[2] (1967 = 100)		Gross average weekly earnings		Spendable average weekly earnings[3]			
					Married worker with 3 dependents		Worker with no dependents	
	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars
TOTAL PRIVATE	6.6	4/	6.4	-0.2	9.6	2.8	8.1	1.4
Mining	8.5	1.7	11.0	4.1	12.6	5.6	9.1	2.4
Contract construction	4.2	-2.3	2.1	-4.3	4.0	-2.4	.9	-5.4
Manufacturing	7.6	.9	8.5	1.8	11.2	4.3	9.4	2.6
Transportation and public utilities	4.7	-1.8	5.1	-1.4	7.3	.6	4.1	-2.3
Wholesale and retail trade	7.0	.3	6.4	-.2	7.4	.7	8.5	1.7
Finance, insurance, and real estate	4.6	-1.9	3.7	-2.8	7.3	.6	5.8	-.8
Services	7.2	.5	7.0	.3	9.8	3.0	8.9	2.1

NOTE: Percentage change over the year in the Consumer Price Index (all items, 1967 = 100) 6.6

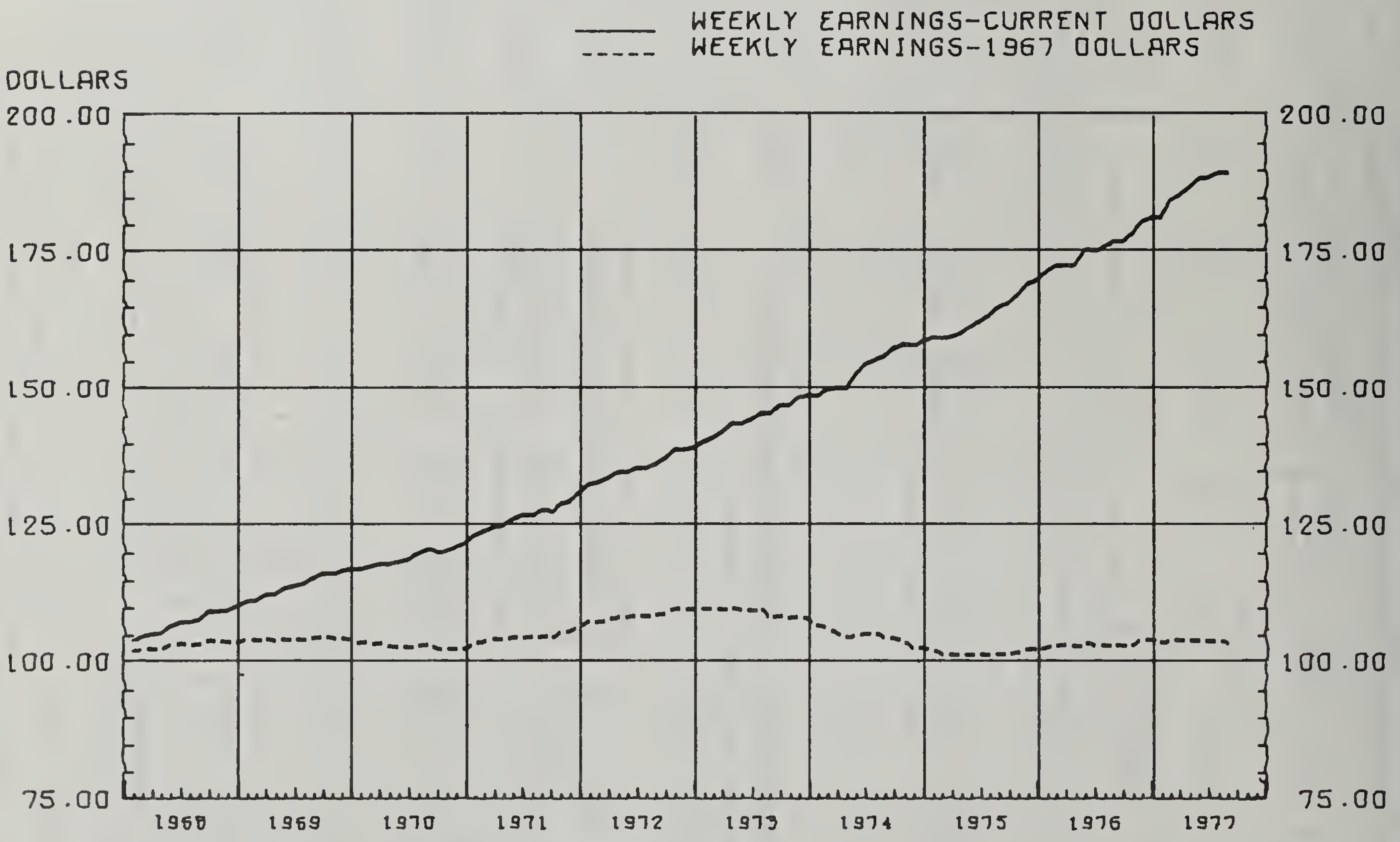
[1] Based on preliminary data for the current month. Hourly earnings index changes are based on seasonally adjusted data. Gross and weekly changes are based on data that are not seasonally adjusted.

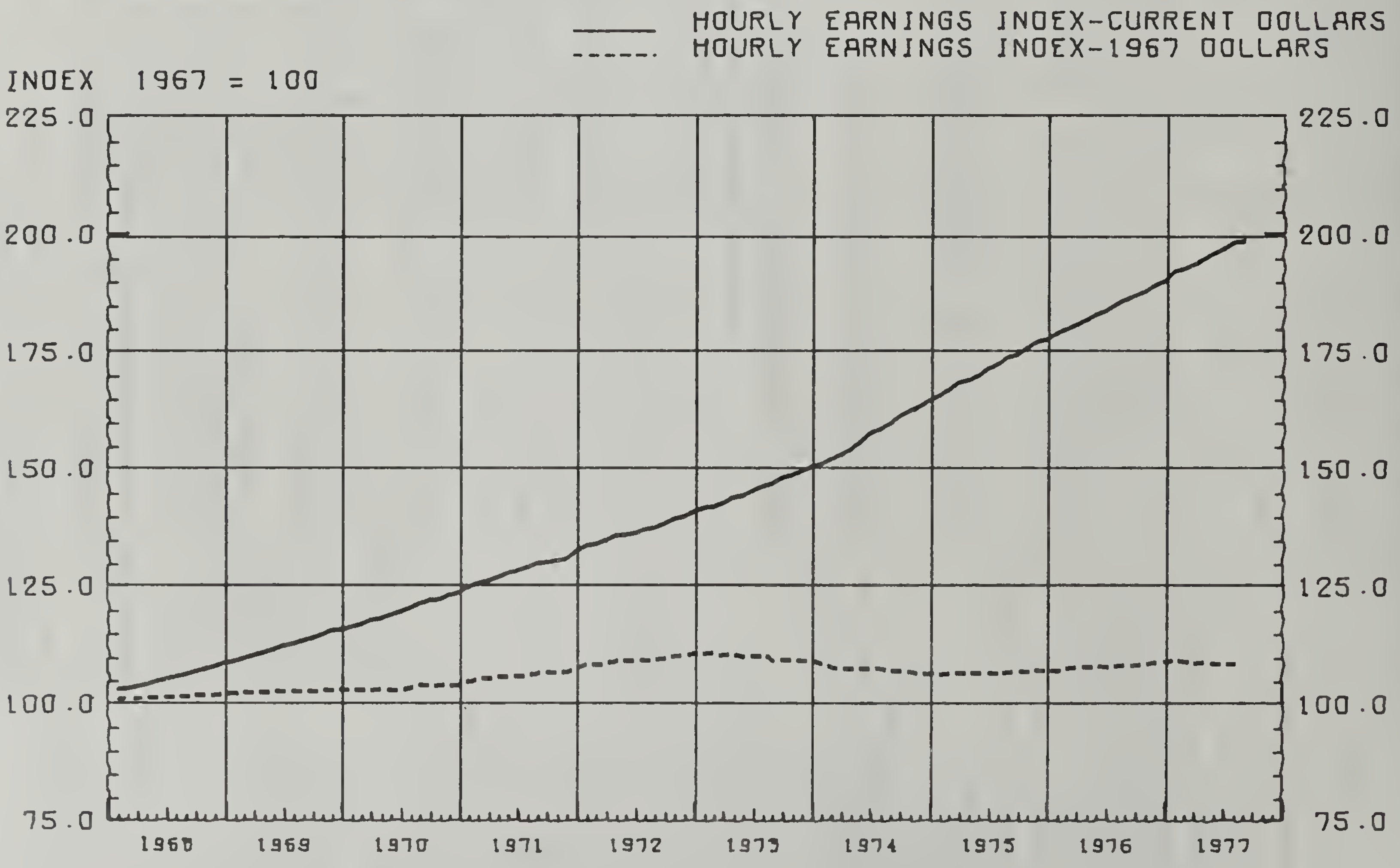
[2] See footnote 1, table 1.

[3] Calculated for workers who earned the average weekly earnings.

4/ Less than 0.05 percent.

PRIVATE NONFARM AVERAGE EARNINGS SEASONALLY ADJUSTED





NOTE: Data for two most recent months are preliminary.

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USDL-74-191
FOR RELEASE: Transmission Embargo
10:00 A.M. (E.D.T.)
Friday, April 19, 1974

REAL EARNINGS IN MARCH 1974

Real earnings figures for March--covering full-time and part-time workers on production or nonsupervisory jobs in the private nonfarm sector of the American economy--were released today by the Bureau of Labor Statistics of the U.S. Department of Labor. (Real earnings--or earnings in constant dollars--are calculated by adjusting earnings in current dollars for changes in the Consumer Price Index.)

*Real gross average weekly earnings decreased 0.8 percent from February to March, after allowance for the usual seasonal change. This decline was the result of a 1.1 percent increase in the Consumer Price Index and a 0.3 percent drop in average weekly hours which more than overcame a 0.5 percent rise in average hourly earnings. (See table A.)

Over the year, real average weekly earnings were down 4.1 percent. A rise of 6.6 percent in average hourly earnings was more than offset by a 10.2 percent increase in consumer prices and a 0.8 percent decrease in average weekly hours. (Before adjustment for the increase in the Consumer Price Index and for seasonal change, average weekly earnings were $148.23 in March, compared with $140.22 a year earlier. See table 1.)

*Real spendable earnings (real weekly pay after deduction of Social Security and Federal income taxes) for a worker who was earning the average weekly pay and was taxed at rates applicable to a married worker with three dependents fell 0.9 percent from February, seasonally adjusted, primarily because of the increase in the Consumer Price Index.

Table A. Composition of change in real earnings (production or nonsupervisory workers on private nonfarm payrolls)

Month	(1) Average hourly earnings	(2) Average weekly hours	(3) Average weekly earnings	(4) Consumer price index	(5) Real average weekly earnings	(6) Average tax effect 1/	(7) Real spendable earnings 2/
	Percent change from preceeding month, seasonally adjusted						
1973							
Mar.	.8	-.3	.5	.9	-.4	.1	-.4
Apr.	.8	.5	1.1	.6	.4	.1	.3
May	.3	0	.3	.6	-.3	3/	-.4
June	.5	-.3	.3	.6	-.3	3/	-.3
July	1.0	.3	1.3	.2	1.1	.2	.9
Aug.	.3	-.5	-.3	1.9	-2.2	3/	-2.1
Sept.	1.0	.5	1.6	.3	1.2	.2	1.1
Oct.	.5	-.5	3/	.8	-.8	3/	-.9
Nov.	.3	.3	.5	.8	-.3	.1	-.3
Dec.	.8	-.3	.5	.5	-.1	.1	-.1
1974							
Jan.	0	-.8	-.8	1.0	-1.8	-.1	-1.7
Feb.p	.5	.5	1.1	1.3	-.2	.1	-.3
Mar.p	.5	-.3	.2	1.1	-.8	3/	-.9
	Percent change from same month a year ago						
1973							
Mar.	6.1	0	6.1	4.7	1.4	1.5	3/
Apr.	6.1	-.3	5.8	5.1	.6	1.4	-.7
May	6.4	.3	6.6	5.5	1.1	1.5	-.4
June	6.6	0	6.6	5.9	.7	1.5	-.8
July	7.1	0	7.1	5.7	1.3	1.6	-.2
Aug.	6.8	-.3	6.5	7.5	-.9	1.5	-2.3
Sept.	7.3	-.3	7.0	7.4	-.4	1.6	-1.9
Oct.	6.7	-.8	5.8	7.9	-1.9	1.5	-3.3
Nov.	7.0	-.3	6.7	8.4	-1.6	1.6	-3.1
Dec.	7.2	0	7.2	8.8	-1.5	1.6	-3.0
1974							
Jan.	6.6	-.5	6.1	9.4	-3.1	0.7	-3.7
Feb.p	6.9	-.8	6.0	10.0	-3.7	0.7	-4.3
Mar.p	6.6	-.8	5.7	10.2	-4.1	0.7	-4.7

Note: The following relationships hold approximately:
column (1) + column (2) = column (3)
column (3) - column (4) = column (5)
column (5) - column (6) = column (7)

p = preliminary
1/ Effect of the change in average social security and federal income tax rates for a worker with 3 dependents who earned the average weekly earnings.
2/ Worker with 3 dependents who earned the average weekly earnings.
3/ Less than 0.05.

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Table 1. Earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

Industry	Gross average hourly earnings			Hourly earnings index [1] (1967 = 100)			Gross average weekly earnings			Spendable average weekly earnings [2]					
										Worker with three dependents			Worker with no dependents		
	Mar. 1973	Feb. 1974p	Mar. 1974p	Mar. 1973	Feb. 1974p	Mar. 1974p	Mar. 1973	Feb. 1974p	Mar. 1974p	Mar. 1973	Feb. 1974p	Mar. 1974p	Mar. 1973	Feb. 1974p	Mar. 1974p
TOTAL PRIVATE: [3]															
Current dollars	$3.80	$4.04	$4.05	143.2	152.7	153.0	$140.22	$147.46	$148.23	$123.38	$128.98	$129.57	$113.73	$119.03	$119.59
1967 dollars	2.93	2.86	2.83	110.3	107.9	106.9	108.03	104.21	103.58	95.05	91.15	90.55	87.62	84.12	83.57
Mining:															
Current dollars	4.55	4.98	4.94	142.4	154.6	155.4	188.37	212.15	201.06	160.59	179.14	170.49	148.72	166.15	158.06
1967 dollars	3.51	3.52	3.45	109.7	109.2	108.6	145.12	149.93	140.50	123.72	126.60	119.14	114.58	117.42	110.45
Contract construction:															
Current dollars	6.28	6.74	6.74	150.9	161.4	161.2	229.85	244.66	248.03	194.24	204.49	207.12	180.35	189.83	192.23
1967 dollars	4.84	4.76	4.71	116.2	114.0	112.7	177.08	172.90	173.33	149.65	144.52	144.74	138.94	134.16	134.33
Manufacturing:															
Current dollars	3.98	4.21	4.23	140.7	149.7	150.5	162.38	168.82	170.05	140.44	145.34	146.30	129.71	134.30	135.21
1967 dollars	3.07	2.98	2.96	108.4	105.8	105.1	125.10	119.31	118.83	108.20	102.71	102.24	99.93	94.91	94.49
Transportation and public utilities:															
Current dollars	4.89	5.22	5.21	151.3	161.4	161.3	196.58	209.84	209.96	166.99	177.34	177.43	154.78	164.46	164.55
1967 dollars	3.77	3.69	3.64	116.6	114.1	112.7	151.45	148.30	146.72	128.65	125.33	123.99	119.24	116.23	114.99
Wholesale and retail trade:															
Current dollars	3.14	3.36	3.38	140.2	149.3	150.4	108.33	113.90	114.58	98.34	102.75	103.29	90.25	94.44	94.95
1967 dollars	2.42	2.37	2.36	108.0	105.5	105.1	83.46	80.49	80.07	75.76	72.61	72.18	69.53	66.74	66.35
Finance, insurance, and real estate:															
Current dollars	3.55	3.76	3.76	137.5	146.7	146.8	131.35	139.12	138.74	116.45	122.52	122.23	107.24	112.93	112.65
1967 dollars	2.73	2.66	2.63	106.0	103.7	102.6	101.19	98.32	96.95	89.71	86.59	85.42	82.62	79.81	78.72
Services:															
Current dollars	3.30	3.53	3.52	143.3	152.9	152.7	111.87	119.67	119.33	101.15	107.32	107.05	92.91	98.70	98.45
1967 dollars	2.54	2.49	2.46	110.4	108.1	106.7	86.19	84.57	83.39	77.93	75.84	74.81	71.58	69.75	68.80

[1] Adjusted for overtime (manufacturing only) and interindustry employment shifts.

[2] Spendable earnings are calculated by deducting social security and Federal income taxes applicable to the gross average weekly earnings of all production or nonsupervisory workers. A technical note on the calculation and uses of the spendable earnings series is available on request.

[3] Data relate to production workers in mining and manufacturing; construction workers in contract construction; and nonsupervisory workers in transportation and public utilities, trade, finance, insurance, and real estate, and services. Included in this group are approximately four-fifths of all workers on private industry payrolls.

p=preliminary.

Over the year, real spendable earnings were down 4.7 percent owing to a 4.1 percent decline in real weekly earnings and a 0.7 percent increase in the effect of taxes. This was the largest percent decline over the year since the monthly real spendable earnings series began in 1964. The decrease in March marked the 12th consecutive month in which real spendable earnings were below their year earlier levels.

*The Hourly Earnings Index in dollars of constant purchasing power was 106.9 in March, seasonally adjusted, 0.6 percent lower than in February and 3.1 percent below a year ago. (See tables 2 and 3.) The index excludes the effects of overtime in manufacturing and of interindustry shifts, such as the shift of workers between high-wage and low-wage industries.

Spendable earnings are calculated by taking the average weekly pay for all production or nonsupervisory jobs, both full-time and part-time, and then deducting social security and Federal income taxes applicable to a single worker or to a worker with three dependents who made this amount.

Real spendable earnings, or purchasing power, represents the buying power of the spendable earnings of a worker earning the average pay and with the applicable deductions, after allowance for price changes from the 1967 base period, that is, adjustment by the Consumer Price Index.

The earnings series from which spendable and real spendable earnings are derived—gross average weekly earnings—is an arithmetic average of the earnings of all production or nonsupervisory jobs, including part-time jobs. Therefore, it is less than the average weekly earnings of full-time wage earners. It should be noted that the series on spendable earnings represents only the average earnings for those rank-and-file workers whose weekly pay approximates the averages indicated. The actual earnings level of workers with three dependents tends to be higher than the average figures given above, since workers with three dependents are generally older and more experienced and thus likely to command higher hourly wage rates and work more hours. Month-to-month and year-to-year changes in actual spendable earnings for this worker might also differ from the average estimates presented in this release.

The hourly earnings index is designed to measure underlying wage movements for production or nonsupervisory workers in the private nonfarm economy. It is adjusted to exclude the effects of two types of changes that are not related to underlying wage rate developments: overtime in manufacturing (the only sector for which overtime data are available) and interindustry employment shifts, such as shifts of workers between high-wage and low-wage industries.

Seasonally adjusted data are preferred by some users for analyzing general earnings trends in the economy since they eliminate the effect of changes that normally occur at the same time and in about the same magnitude each year. These changes in average earnings may be due to seasonal changes in the proportion of workers in high-wage and low-wage industries or occupations, or to seasonal changes in the amount of overtime work, and so on. The seasonally adjusted data are presented in table 2.

For a comprehensive discussion of the spendable earnings series and hourly earnings index, and their relation to other wage data, see the following articles: Jack Alterman, "Compensation per Man-Hour and Take Home Pay," *Monthly Labor Review,* June 1971; Paul Armknecht, "Changes in the Spendable Earnings Series: The Effects of the 1971 Revenue Act and Social Security Tax Changes," *Employment and Earnings,* February 1972; Thomas Gavett, "Measures of Change in Real Wages and Earnings," *Monthly Labor Review,* February 1972; Norman Samuels, "Developing a General Wage Index," *Monthly Labor Review,* March 1971; and Paul Schwab, "Two Measures of Purchasing Power Contrasted," *Monthly Labor Review,* April 1971.

Table 2. Earnings of production or nonsupervisory workers on total private nonagricultural payrolls, seasonally adjusted

Series	1973										1974		
	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.p	Mar.p
Gross average hourly earnings:													
Current dollars	$3.81	$3.84	$3.85	$3.87	$3.91	$3.92	$3.96	$3.98	$3.99	$4.02	$4.02	$4.04	$4.06
1967 dollars	2.93	2.94	2.93	2.93	2.95	2.90	2.92	2.91	2.90	2.90	2.87	2.85	2.84
Hourly earnings index[1] (1967=100):													
Current dollars	143.3	144.4	144.7	146.0	146.9	147.6	149.0	149.6	150.3	151.3	151.7	152.4	153.1
1967 dollars	110.4	110.5	110.1	110.4	110.9	109.3	110.0	109.5	109.1	109.3	108.4	107.5	106.9
Gross average weekly earnings:													
Current dollars	$141.35	$142.85	$143.22	$143.58	$145.45	$145.04	$147.31	$147.26	$148.03	$148.74	$147.53	$149.08	$149.41
1967 dollars	108.83	109.30	108.94	108.60	109.77	107.39	108.72	107.80	107.52	107.45	105.47	105.23	104.34
Spendable average weekly earnings[2]:													
Current dollars	124.26	125.42	125.70	125.98	127.42	127.11	128.86	128.82	129.42	129.96	129.03	130.23	130.48
1967 dollars	95.67	95.96	95.61	95.29	96.16	94.11	95.11	94.30	94.00	93.88	92.24	91.92	91.12

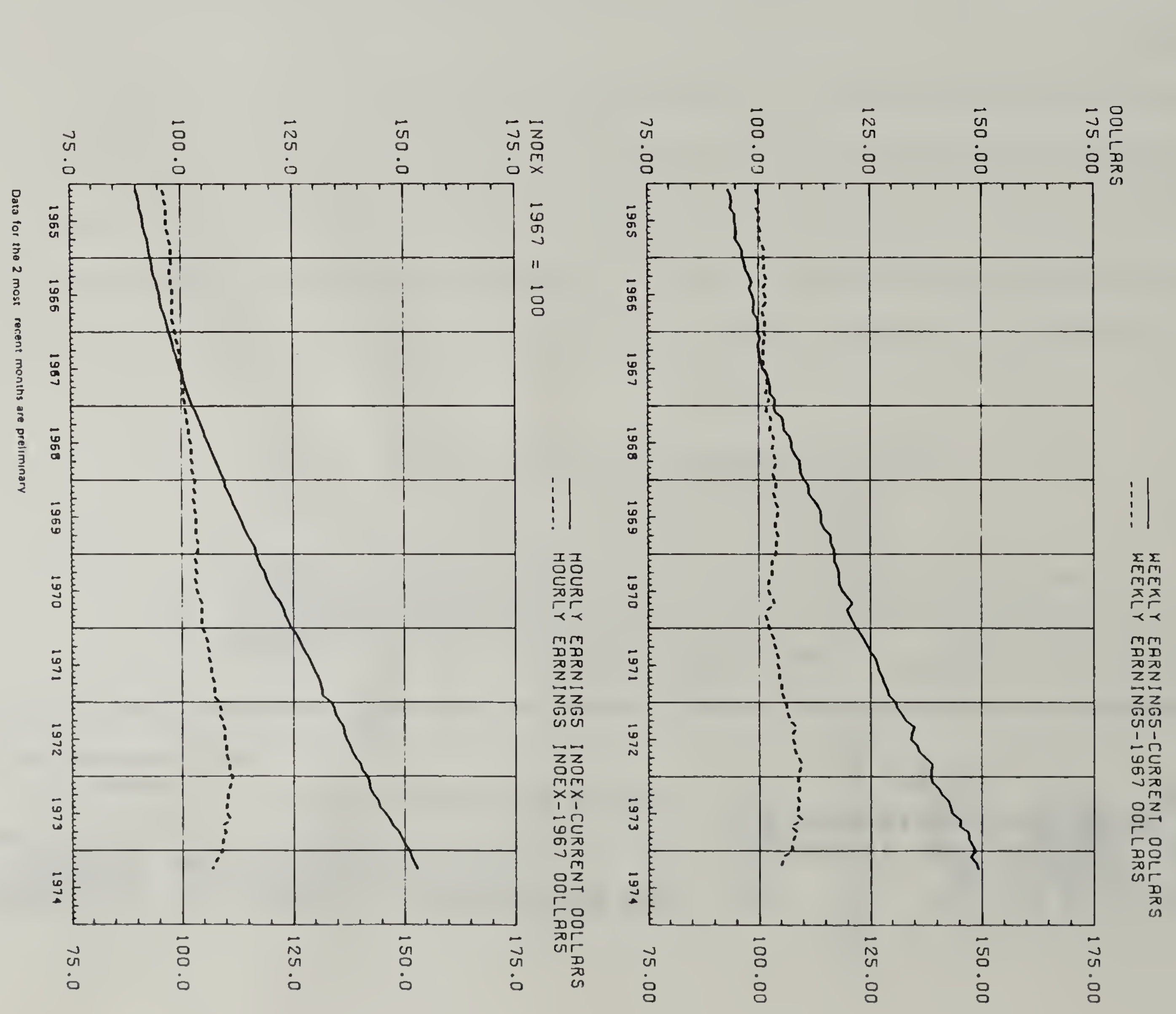
[1] See footnote 1, table 1.
[2] Calculated for workers with 3 dependents who earned the average weekly earnings.
p = preliminary.

Table 3. Percentage change[1] over the year in earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division
March 1973 — March 1974

Industry	Hourly earnings index[2] (1967 = 100)		Gross average weekly earnings		Spendable average weekly earnings[3]			
					Worker with three dependents		Worker with no dependents	
	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars
TOTAL PRIVATE	6.8	-3.1	5.7	-4.1	5.0	-4.7	5.2	-4.6
Mining	9.2	-1.0	6.7	-3.2	6.2	-3.7	6.3	-3.6
Contract construction	6.8	-3.1	7.9	-2.1	6.6	-3.3	6.6	-3.3
Manufacturing	6.9	-3.0	4.7	-5.0	4.2	-5.5	4.2	-5.4
Transportation and public utilities	6.6	-3.3	6.8	-3.1	6.3	-3.6	6.3	-3.6
Wholesale and retail trade	7.3	-2.7	5.8	-4.1	5.0	-4.7	5.2	-4.6
Finance, insurance, and real estate	6.7	-3.2	5.6	-4.2	5.0	-4.8	5.0	-4.7
Services	6.6	-3.3	6.7	-3.2	5.8	-4.0	6.0	-3.9

NOTE: Percentage change over the year in the Consumer Price Index (all items, 1967 = 100) 10.2

[1] Based on preliminary data for the current month. Hourly earnings index changes are based on seasonally adjusted data. Gross and weekly changes are based on data that are not seasonally adjusted.
[2] See footnote 1, table 1.
[3] Calculated for workers who earned the average weekly earnings.



PRIVATE NONFARM AVERAGE EARNINGS
SEASONALLY ADJUSTED

Data for the 2 most recent months are preliminary

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USDL-75-663
FOR RELEASE: Transmission Embargo
10:00 A.M. (E.S.T.)
Thursday, November 20, 1975

REAL EARNINGS IN OCTOBER 1975

Preliminary real earnings figures for October--covering full-time and part-time workers on production or nonsupervisory jobs in the private nonfarm sector of the American economy--were released today by the Bureau of Labor Statistics of the U.S. Department of Labor. (Real earnings--or earnings in constant dollars--are calculated by adjusting earnings in current dollars for changes in the Consumer Price Index.)

*Real gross average weekly earnings were unchanged from September to October, after allowance for the usual seasonal change. A 0.7 percent rise in the Consumer Price Index offset a 0.4 percent increase in average hourly earnings and a 0.3 percent rise in average weekly hours. (See table A.)

Over the year, real average weekly earnings were down 1.9 percent. A rise of 7.6 percent in the Consumer Price Index and a drop of 0.8 percent in average weekly hours countered a 6.4 percent increase in average hourly earnings. (Before adjustment for the increase in the Consumer Price Index and for seasonal change, average weekly earnings were $168.33 in October, compared with $159.51 a year earlier. (See table 1.)

*Real spendable earnings--average real weekly pay of all workers reduced by Social Security and Federal income tax rates applicable to a married worker with three dependents who earned the average amount--were unchanged from September, seasonally adjusted.

Over the year, real spendable earnings were up 1.9 percent because of a reduction in Federal income tax rates which went into effect May 1, 1975.

Table A. Composition of change in real earnings (production or nonsupervisory workers on private nonfarm payrolls)

Month	(1) Average hourly earnings	(2) Average weekly hours	(3) Average weekly earnings	(4) Consumer price index	(5) Real average weekly earnings	(6) Average tax effect 1/	(7) Real spendable earnings 2/
	Percent change from preceding month, seasonally adjusted						
1974							
Oct.	0.7	0.0	0.7	0.9	-0.2	0.1	-0.3
Nov.	0.2	-0.8	-0.6	0.9	-1.5	-0.1	-1.4
Dec.	0.7	0.3	1.0	0.8	0.2	0.1	0.1
1975							
Jan.	0.7	-0.3	0.4	0.6	-0.2	3/	-0.3
Feb.	0.5	-0.3	0.2	0.5	-0.4	3/	-0.4
March	0.7	-0.6	0.1	0.3	-0.2	3/	-0.2
April	0.2	0.0	0.2	0.6	-0.4	3/	-0.4
May	0.4	0.0	0.4	0.4	0.1	-4.6	4.7
June	0.4	0.3	0.7	0.8	3/	0.1	-0.2
July	0.7	0.0	0.7	1.2	-0.5	0.1	-0.6
Aug.	0.7	0.6	1.2	0.2	1.1	0.2	0.9
Sept. p	0.7	-0.3	0.4	0.5	-0.1	0.1	-0.1
Oct. p	0.4	0.3	0.7	0.7	3/	0.1	3/
	Percent change from same month a year ago						
1974							
Oct.	8.7	-1.1	7.5	12.0	-4.0	0.9	-4.8
Nov.	8.2	-2.2	5.8	12.1	-5.6	0.7	-6.2
Dec.	8.4	-1.9	6.4	12.2	-5.2	0.7	-5.9
1975							
Jan.	8.6	-1.7	6.8	11.7	-4.4	0.8	-5.1
Feb.	8.6	-2.2	6.2	11.1	-4.4	0.7	-5.1
March	8.6	-2.5	5.9	10.3	-4.0	0.7	-4.6
April	8.5	-1.4	7.0	10.2	-2.9	0.8	-3.6
May	7.4	-2.2	5.1	9.5	-4.0	-4.1	-0.1
June	7.1	-1.6	5.4	9.3	-3.6	-4.0	0.2
July	7.1	-1.9	5.1	9.7	-4.2	-4.1	-0.4
Aug.	7.0	-1.1	5.9	8.6	-2.5	-4.0	1.3
Sept. p	6.7	-1.1	5.5	7.8	-2.2	-4.0	1.6
Oct. p	6.4	-0.8	5.5	7.6	-1.9	-4.0	1.9

Note: The following relationships hold approximately:

column (1) + column (2) = column (3)
column (3) - column (4) = column (5)
column (5) - column (6) = column (7)

p = preliminary

1/ Effect of the change in average social security and federal income tax rates for a worker with 3 dependents who earned the average weekly earnings.

2/ Worker with 3 dependents who earned the average weekly earnings.

3/ Less than 0.05.

*The Hourly Earnings Index in dollars of constant purchasing power rose 0.3 percent from September. Compared with a year ago, the index was up 0.6 percent. (See tables 2 and 3.) The index excludes the effects of overtime in manufacturing and of interindustry shifts, such as the shift of workers between high-wage and low-wage industries.

Spendable earnings are calculated by taking the average weekly pay for all production or nonsupervisory jobs, both full-time and part-time, and then deducting social security and Federal income taxes applicable to a single worker or to a worker with three dependents who made this amount.

Real spendable earnings, or purchasing power, represents the buying power of the spendable earnings of a worker earning the average pay and with the applicable deductions, after allowance for price changes from the 1967 base period, that is, adjustment by the Consumer Price Index.

The earnings series from which spendable and real spendable earnings are derived—gross average weekly earnings—is an arithmetic average of the earnings of all production or nonsupervisory jobs, including part-time jobs. Therefore, it is less than the average weekly earnings of full-time wage earners. It should be noted that the series on spendable earnings represents only the average earnings for those rank-and-file workers whose weekly pay approximates the averages indicated. The actual earnings level of workers with three dependents tends to be higher than the average figures given above, since workers with three dependents are generally older and more experienced and thus likely to command higher hourly wage rates and work more hours. Month-to-month and year-to-year changes in actual spendable earnings for this worker might also differ from the average estimates presented in this release.

The hourly earnings index is designed to measure underlying wage movements for production or nonsupervisory workers in the private nonfarm economy. It is adjusted to exclude the effects of two types of changes that are not related to underlying wage rate developments: overtime in manufacturing (the only sector for which overtime data are available) and interindustry employment shifts, such as shifts of workers between high-wage and low-wage industries.

Seasonally adjusted data are preferred by some users for analyzing general earnings trends in the economy since they eliminate the effect of changes that normally occur at the same time and in about the same magnitude each year and, therefore, reveal the underlying cyclical trends. These changes in average earnings may be due to seasonal changes in the proportion of workers in high-wage and low-wage industries or occupations, or to seasonal changes in the amount of overtime work, and so on. The seasonally adjusted data are presented in table 2.

For a comprehensive discussion of the spendable earnings series and hourly earnings index, and their relation to other wage data, see the following articles: Jack Alterman, "Compensation per Man-Hour and Take Home Pay," *Monthly Labor Review,* June 1971; Thomas Gavett, "Measures of Change in Real Wages and Earnings," *Monthly Labor Review,* February 1972; Janet Grimes, "Changes in the Spendable Earnings Series for 1975: The Effect of the Tax Reduction Act of 1975," Employment and Earnings, June 1975; Norman Samuels, "Developing a General Wage Index," *Monthly Labor Review,* March 1971; and Paul Schwab, "Two Measures of Purchasing Power Contrasted," *Monthly Labor Review,* April 1971.

The Bureau of Labor Statistics also publishes a set of series on annual after-tax earnings which are derived from the Current Population Survey. These data reflect the actual annual earnings of heads of households with various sizes and compositions. They are discussed in detail by Paul M. Ryscavage in the article, "Annual Earnings of Household Heads," *Monthly Labor Review,* August 1975. Current data are in the press release "Real After Tax Annual Earnings of Household Heads in Production and Nonsupervisory Jobs, 1974."

Table 1. Earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

Industry	Gross average hourly earnings			Hourly earnings index [1] (1967 = 100)			Gross average weekly earnings			Spendable average weekly earnings [2]					
										Worker with three dependents			Worker with no dependents		
	Oct. 1974	Sept. 1975^{p}	Oct. 1975^{p}	Oct. 1974	Sept. 1975^{p}	Oct. 1975^{p}	Oct. 1974	Sept. 1975^{p}	Oct. 1975^{p}	Oct. 1974	Sept. 1975^{p}	Oct. 1975^{p}	Oct. 1974	Sept. 1975^{p}	Oct. 1975^{p}
TOTAL PRIVATE: [3]															
Current dollars	$4.37	$4.64	$4.65	163.5	176.0	176.9	$159.51	$168.43	$168.33	$138.27	$151.65	$151.57	$127.70	$136.88	$136.81
1967 dollars	2.86	2.84	2.83	106.8	107.6	107.5	104.25	102.95	102.27	90.37	92.70	92.08	83.46	83.67	83.12
Mining:															
Current dollars	5.38	6.02	6.00	167.6	187.5	187.3	235.64	255.85	258.00	197.46	217.35	219.01	183.27	199.71	201.28
1967 dollars	3.52	3.68	3.65	109.5	114.6	113.8	154.01	156.39	156.74	129.06	132.85	133.06	119.78	122.07	122.28
Contract construction:															
Current dollars	6.99	7.39	7.48	170.1	179.8	182.0	265.62	277.13	279.75	220.79	234.17	236.36	205.06	215.66	217.58
1967 dollars	4.57	4.52	4.54	111.2	109.9	110.5	173.61	169.39	169.96	144.31	143.14	143.60	134.03	131.82	132.19
Manufacturing:															
Current dollars	4.57	4.89	4.91	161.0	174.5	176.0	183.26	196.58	195.91	156.60	172.48	171.98	144.95	156.36	155.86
1967 dollars	2.99	2.99	2.98	105.2	106.7	106.9	119.78	120.16	119.02	102.35	105.43	104.48	94.74	95.57	94.69
Transportation and public utilities:															
Current dollars	5.62	6.11	6.08	173.3	188.0	187.2	226.49	243.79	241.38	190.32	207.99	206.11	176.60	191.01	189.24
1967 dollars	3.67	3.73	3.69	113.2	114.9	113.7	148.03	149.02	146.65	124.39	127.13	125.22	115.42	116.75	114.97
Wholesale and retail trade:															
Current dollars	3.57	3.80	3.82	159.6	171.0	171.9	120.31	128.06	127.97	107.83	120.57	120.48	99.17	107.53	107.46
1967 dollars	2.33	2.32	2.32	104.3	104.5	104.4	78.63	78.28	77.75	70.48	73.70	73.20	64.82	65.73	65.29
Finance, insurance, and real estate:															
Current dollars	3.90	4.17	4.19	152.3	163.0	163.6	142.74	150.95	152.52	125.33	138.49	139.49	115.57	124.27	125.42
1967 dollars	2.55	2.55	2.55	99.5	99.6	93.4	93.29	92.27	92.66	81.92	84.65	84.74	75.54	75.96	76.20
Services:															
Current dollars	3.86	4.13	4.15	167.0	179.1	179.5	130.08	139.18	139.44	115.46	131.00	131.17	106.31	115.66	115.85
1967 dollars	2.52	2.52	2.52	109.2	109.5	109.0	85.02	85.07	84.71	75.46	80.07	79.69	69.48	70.70	70.38

[1] Adjusted for overtime (manufacturing only) and interindustry employment shifts.

[2] Spendable earnings are calculated by deducting social security and Federal income taxes applicable to the gross average weekly earnings of all production or nonsupervisory workers. A technical note on the calculation and uses of the spendable earnings series is available on request.

[3] Data relate to production workers in mining and manufacturing; construction workers in contract construction; and nonsupervisory workers in transportation and public utilities, trade, finance, insurance, and real estate, and services. Included in this group are approximately four-fifths of all workers on private industry payrolls.

p=preliminary.

Table 2. Earnings of production or nonsupervisory workers on total private nonagricultural payrolls, seasonally adjusted

Series	1974			1975								
	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.p	Oct.p
Gross average hourly earnings:													
Current dollars	$4.34	$4.35	$4.38	$4.41	$4.43	$4.46	$4.47	$4.49	$4.51	$4.54	$4.57	$4.60	$4.62
1967 dollars	2.84	2.82	2.82	2.82	2.82	2.83	2.82	2.82	2.81	2.80	2.81	2.82	2.81
Hourly earnings index[1] (1967=100):													
Current dollars	163.3	164.2	165.4	166.3	167.8	169.1	169.4	170.6	172.2	173.1	174.6	175.1	176.8
1967 dollars	106.8	106.4	106.4	106.3	106.6	107.2	106.8	107.1	107.3	106.6	107.4	107.2	107.5
Gross average weekly earnings:													
Current dollars	$158.41	$157.47	$158.99	$159.64	$159.92	$160.11	$160.47	$161.19	$162.36	$163.44	$165.43	$166.06	$167.24
1967 dollars	103.64	102.07	102.26	102.02	101.64	101.48	101.11	101.21	101.16	100.67	101.73	101.65	101.70
Spendable average weekly earnings[2]:													
Current dollars	137.42	136.70	137.87	138.38	138.59	138.73	139.00	146.00	146.91	147.76	149.31	149.81	150.73
1967 dollars	89.91	88.61	88.67	88.43	88.08	87.93	87.58	91.67	91.53	91.01	91.82	91.70	91.66

[1] See footnote 1, table 1.
[2] Calculated for workers with 3 dependents who earned the average weekly earnings.
p = preliminary.

Table 3. Percentage change[1] over the year in earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

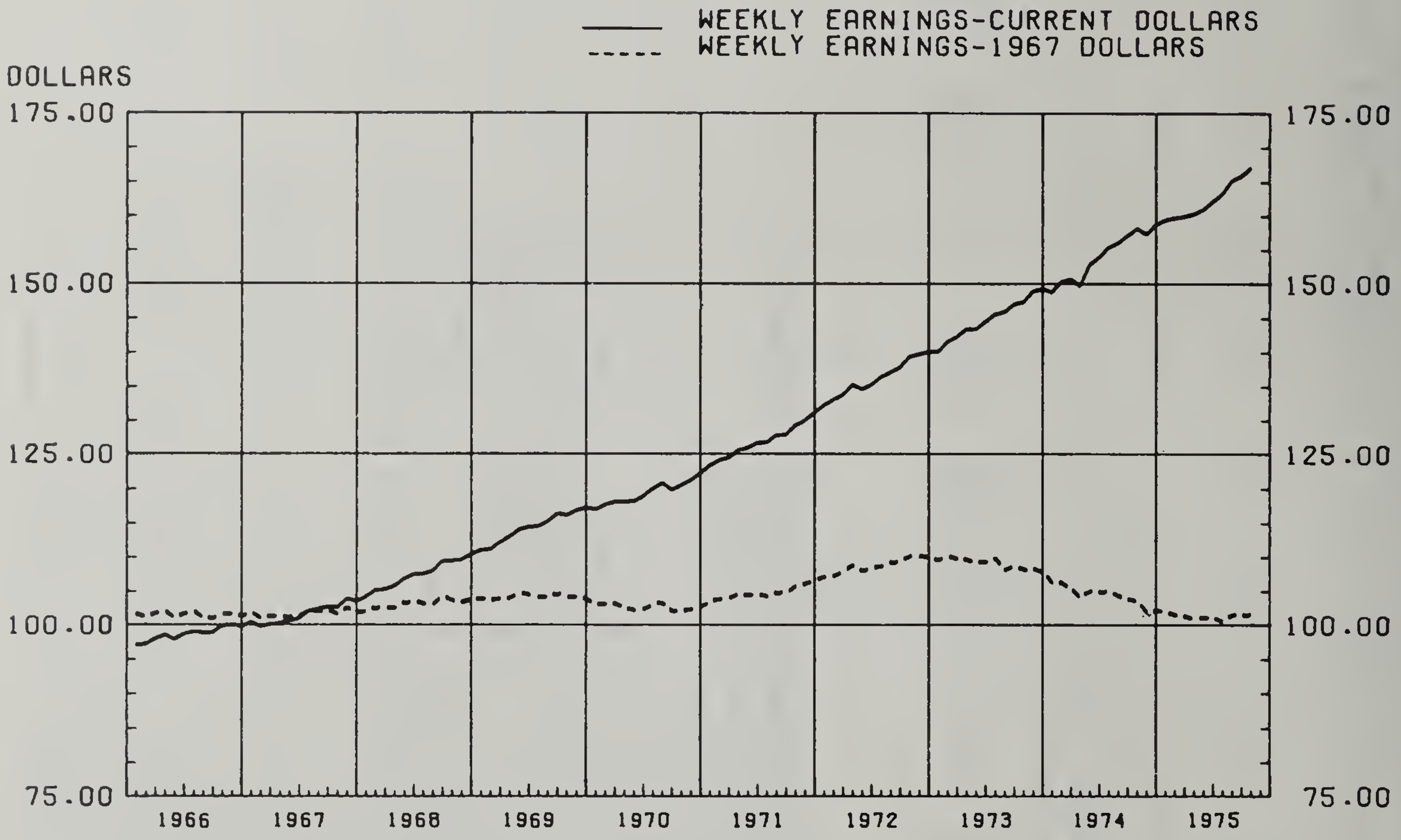
October 1974 — October 1975

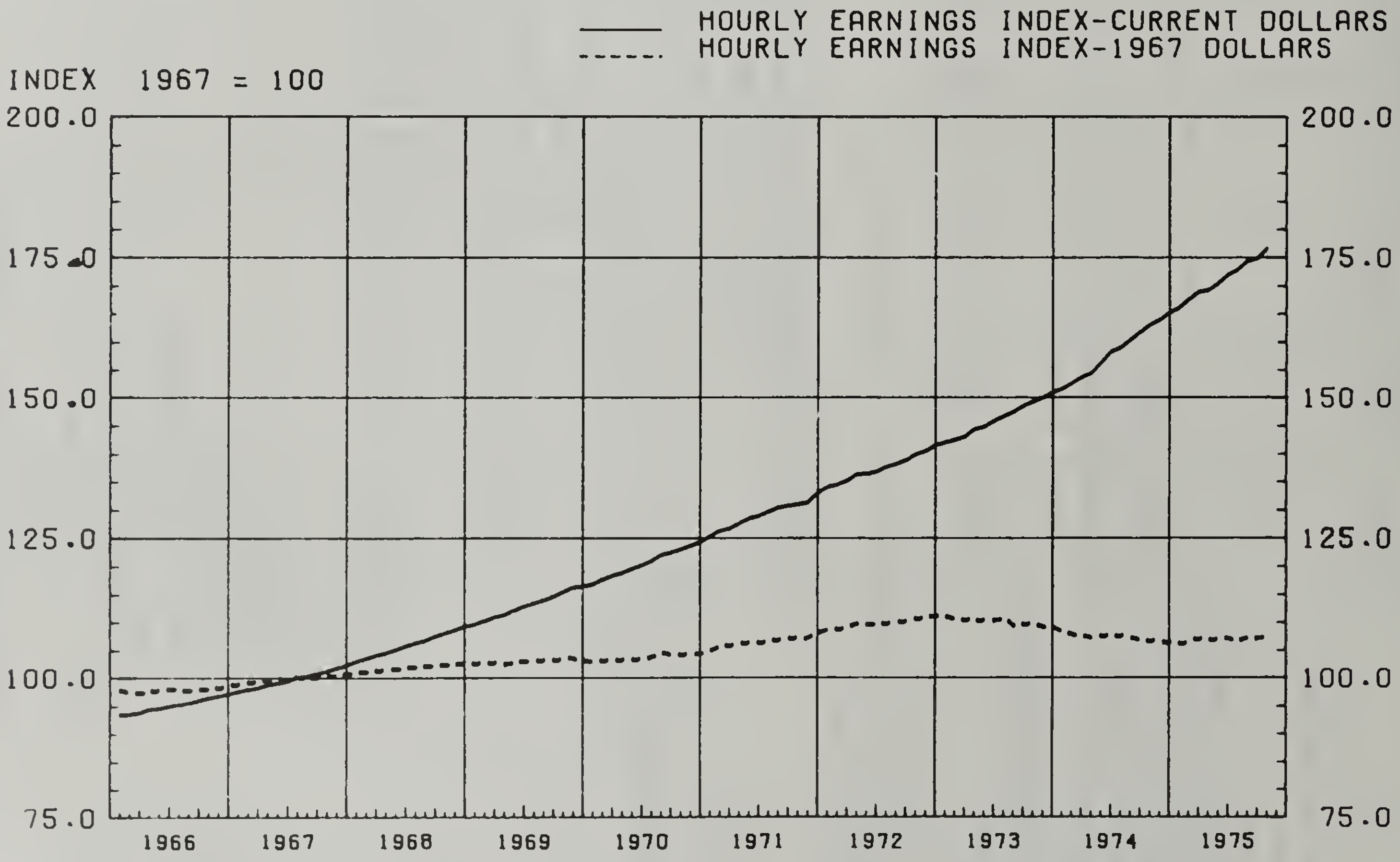
Industry	Hourly earnings index [2] (1967 = 100)		Gross average weekly earnings		Spendable average weekly earnings [3]			
					Worker with three dependents		Worker with no dependents	
	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars
TOTAL PRIVATE	8.2	0.6	5.5	-1.9	9.6	1.9	7.1	-.4
Mining	11.8	3.9	9.5	1.8	10.9	3.1	9.8	2.1
Contract construction	7.0	-.6	5.3	-2.1	7.1	-.5	6.1	-1.4
Manufacturing	9.3	1.6	6.9	-.6	9.8	2.1	7.5	-.1
Transportation and public utilities	8.1	.4	6.6	-.9	8.3	.7	7.2	-.4
Wholesale and retail trade	7.7	.1	6.4	-1.1	11.7	3.9	8.4	.7
Finance, insurance, and real estate	7.4	-.1	6.9	-.7	11.3	3.4	8.5	.9
Services	7.5	-.1	7.2	-.4	13.6	5.6	9.0	1.3

NOTE: Percentage change over the year in the Consumer Price Index (all items, 1967 = 100) 7.6

[1] Based on preliminary data for the current month. Hourly earnings index changes are based on seasonally adjusted data. Gross and weekly changes are based on data that are not seasonally adjusted.
[2] See footnote 1, table 1.
[3] Calculated for workers who earned the average weekly earnings.

PRIVATE NONFARM AVERAGE EARNINGS
SEASONALLY ADJUSTED





NOTE: Data for the 2 most recent months are preliminary.

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FOR RELEASE: Transmission Embargo
10:00 A.M. (E.S.T.)
Friday, March 19, 1976

REAL EARNINGS IN FEBRUARY 1976

Preliminary real earnings figures for February--covering full-time and part-time workers on production or nonsupervisory jobs in the private nonfarm sector of the American economy--were released today by the Bureau of Labor Statistics of the U.S. Department of Labor. (Real earnings--or earnings in constant dollars--are calculated by adjusting earnings in current dollars for changes in the Consumer Price Index.)

*Real gross average weekly earnings were essentially unchanged from January to February after allowance for the usual seasonal variation. A 0.4 percent increase in average hourly earnings was offset by a 0.3 percent decline in average weekly hours and a 0.1 percent increase in the Consumer Price Index. (See table A.)

Over the year, real average weekly earnings were up 2.0 percent. Average hourly earnings increased 7.2 percent and hours rose 1.1 percent, counteracting a 6.3 percent rise in the Consumer Price Index. (Before adjustment for the increase in the Consumer Price Index and for seasonal change, average weekly earnings were $171.11 in February, compared with $157.79 a year earlier. See table 1.)

*Real spendable earnings--average real weekly pay of all workers reduced by Social Security and Federal income tax rates applicable to a married worker with three dependents who earned the average amount--remained at the January level, seasonally adjusted.

Over the year, real spendable earnings were up 4.8 percent. This increase was due to a gain in real average weekly earnings and a reduction in Federal income tax rates which went into effect May 1, 1975.

Table A. Composition of change in real earnings (production or nonsupervisory workers on private nonfarm payrolls)

Month	(1) Average hourly earnings	(2) Average weekly hours	(3) Average weekly earnings	(4) Consumer price index	(5) Real average weekly earnings	(6) Average tax effect 1/	(7) Real spendable earnings 2/
	Percent change from preceding month, seasonally adjusted						
1975							
Feb.	0.5	-0.3	0.2	0.5	-0.3	3/	-0.4
March	0.7	-0.6	0.1	0.4	-0.3	3/	-0.3
April	0.2	0.0	0.2	0.5	-0.3	3/	-0.3
May	0.4	0.0	0.4	0.5	0.1	-4.6	4.5
June	0.4	0.3	0.7	0.7	3/	0.1	-0.1
July	0.7	0.0	0.7	1.0	-0.3	0.1	-0.4
Aug.	0.7	0.6	1.2	0.4	.9	0.2	0.7
Sept.	0.7	-0.3	0.4	0.4	3/	3/	-0.1
Oct.	0.7	0.3	0.9	0.6	0.3	0.1	0.2
Nov.	1.1	0.3	1.4	0.6	0.7	0.2	0.5
Dec.	0.0	0.3	0.3	0.5	-.3	3/	-0.3
1976							
Jan. p	1.1	0.5	1.6	0.4	1.2	1.0	0.2
Feb. p	0.4	-0.3	0.2	0.1	3/	3/	3/
	Percent change from same month a year ago						
1975							
Feb.	8.6	-2.2	6.2	11.1	-4.4	0.7	-5.1
March	8.6	-2.5	5.9	10.3	-4.0	0.7	-4.6
April	8.5	-1.4	7.0	10.2	-2.9	0.8	-3.6
May	7.4	-2.2	5.1	9.5	-4.0	-4.1	-0.1
June	7.1	-1.6	5.4	9.3	-3.6	-4.0	0.2
July	7.1	-1.9	5.1	9.7	-4.2	-4.1	-0.4
Aug.	7.0	-1.1	5.9	8.6	-2.5	-4.0	1.3
Sept.	6.7	-1.1	5.5	7.8	-2.2	-4.0	1.6
Oct.	6.6	-0.8	5.8	7.6	-1.7	-3.9	2.1
Nov.	7.3	0.3	7.6	7.3	0.3	-3.6	3.9
Dec.	6.8	0.3	7.1	7.0	0.1	-3.6	3.8
1976							
Jan. p	7.3	1.1	8.5	6.8	1.6	-2.7	4.3
Feb. p	7.2	1.1	8.4	6.3	2.0	-2.7	4.8

Note: The following relationships hold approximately:

column (1) + column (2) = column (3)
column (3) - column (4) = column (5)
column (5) - column (6) = column (7)

p = preliminary

1/ Effect of the change in average social security and federal income tax rates for a worker with 3 dependents who earned the average weekly earnings.

2/ Worker with 3 dependents who earned the average weekly earnings.

3/ Less than 0.05.

*The Hourly Earnings Index in dollars of constant purchasing power increased 0.4 percent from January. Compared with a year ago, the index was up 1.3 percent. (See tables 2 and 3.) The index excludes the effects of overtime in manufacturing and of interindustry shifts, such as the shift of workers between high-wage and low-wage industries.

Note: The seasonally adjusted Consumer Price Index has been revised to reflect developments during 1975. The seasonally adjusted real earnings data shown in this release which use the seasonally adjusted CPI in their computations have been revised accordingly. Since the seasonally adjusted CPI has been revised back to January 1967, the historical data for the real earnings series (average hourly earnings, average weekly earnings, and spendable earnings for a worker with three dependents) shown in table 2 have also been recalculated and are published in the March 1976 issue of Employment and Earnings.

Spendable earnings are calculated by taking the average weekly pay for all production or nonsupervisory jobs, both full-time and part-time, and then deducting social security and Federal income taxes applicable to a single worker or to a worker with three dependents who made this amount.

Real spendable earnings, or purchasing power, represents the buying power of the spendable earnings of a worker earning the average pav and with the applicable deductions, after allowance for price changes from the 1967 base period, that is, adjustment by the Consumer Price Index.

The earnings series from which spendable and real spendable earnings are derived—gross average weekly earnings—is an arithmetic average of the earnings of all production or nonsupervisory jobs, including part-time jobs. Therefore, it is less than the average weekly earnings of full-time wage earners. It should be noted that the series on spendable earnings represents only the average earnings for those rank-and-file workers whose weekly pay approximates the averages indicated. The actual earnings level of workers with three dependents tends to be higher than the average figures given above, since workers with three dependents are generally older and more experienced and thus likely to command higher hourly wage rates and work more hours. Month-to-month and year-to-year changes in actual spendable earnings for this worker might also differ from the average estimates presented in this release.

The hourly earnings index is designed to measure underlying wage movements for production or nonsupervisory workers in the private nonfarm economy. It is adjusted to exclude the effects of two types of changes that are not related to underlying wage rate developments: overtime in manufacturing (the only sector for which overtime data are available) and interindustry employment shifts, such as shifts of workers between high-wage and low-wage industries.

Seasonally adjusted data are preferred by some users for analyzing general earnings trends in the economy since they eliminate the effect of changes that normally occur at the same time and in about the same magnitude each year and, therefore, reveal the underlying cyclical trends. These changes in average earnings may be due to seasonal changes in the proportion of workers in high-wage and low-wage industries or occupations, or to seasonal changes in the amount of overtime work, and so on. The seasonally adjusted data are presented in table 2.

For a comprehensive discussion of the spendable earnings series and hourly earnings index, and their relation to other wage data, see the following articles: Jack Alterman, "Compensation per Man-Hour and Take Home Pay," *Monthly Labor Review,* June 1971; Thomas Gavett, "Measures of Change in Real Wages and Earnings," *Monthly Labor Review,* February 1972; Janet Grimes, "Changes in the Spendable Earnings Series for 1975: The Effect of the Tax Reduction Act of 1975,"*Employment and Earnings*, June 1975; Norman Samuels, "Developing a General Wage Index," *Monthly Labor Review,* March 1971; and Paul Schwab, "Two Measures of Purchasing Power Contrasted," *Monthly Labor Review,* April 1971.

The Bureau of Labor Statistics also publishes a set of series on annual after-tax earnings which are derived from the Current Population Survey. These data reflect the actual annual earnings of heads of households with various sizes and compositions. They are discussed in detail by Paul M. Ryscavage in the article, "Annual Earnings of Household Heads," *Monthly Labor Review,* August 1975. Current data are in the press release "Real After Tax Annual Earnings of Household Heads in Production and Nonsupervisory Jobs, 1974."

Table 1. Earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

Industry	Gross average hourly earnings			Hourly earnings index [1] (1967 = 100)			Gross average weekly earnings			Spendable average weekly earnings [2]					
										Worker with three dependents			Worker with no dependents		
	Feb. 1975	Jan. 1976^{p}	Feb. 1976^{p}	Feb. 1975	Jan. 1976^{p}	Feb. 1976^{p}	Feb. 1975	Jan. 1976^{p}	Feb. 1976^{p}	Feb. 1975	Jan. 1976^{p}	Feb. 1976^{p}	Feb. 1975	Jan. 1976^{p}	Feb. 1976^{p}
TOTAL PRIVATE: [3]															
Current dollars	$4.42	$4.72	$4.74	167.8	180.2	180.7	$157.79	$170.39	$171.11	$136.94	$151.98	$152.53	$126.49	$139.65	$140.17
1967 dollars	2.81	2.83	2.84	106.7	108.1	108.1	100.38	102.21	102.40	87.11	91.17	91.28	80.46	83.77	83.88
Mining:															
Current dollars	5.74	6.27	6.32	178.0	193.9	195.5	241.08	265.85	269.86	201.70	224.48	227.59	187.24	209.09	211.96
1967 dollars	3.65	3.76	3.78	113.2	116.3	117.0	153.36	159.48	161.50	128.31	134.66	136.20	119.11	125.43	126.85
Contract construction:															
Current dollars	6.99	7.52	7.47	167.8	180.2	179.1	247.45	270.72	272.66	206.67	228.25	229.75	191.81	212.57	213.96
1967 dollars	4.45	4.51	4.47	106.8	108.1	107.2	157.41	162.40	163.17	131.47	136.92	137.49	122.02	127.52	128.04
Manufacturing:															
Current dollars	4.68	5.02	5.02	166.5	179.4	180.0	180.18	200.30	200.30	154.20	174.55	174.55	142.68	161.23	161.23
1967 dollars	2.98	3.01	3.00	105.9	107.6	107.7	114.62	120.16	119.87	98.09	104.71	104.46	90.76	96.72	96.49
Transportation and public utilities:															
Current dollars	5.70	6.22	6.24	175.9	191.7	192.7	224.58	247.56	247.73	188.83	210.36	210.49	175.21	196.02	196.14
1967 dollars	3.63	3.73	3.73	111.9	115.0	115.3	142.86	148.51	148.25	120.12	126.19	125.97	111.46	117.59	117.38
Wholesale and retail trade:															
Current dollars	3.68	3.91	3.92	164.1	174.9	175.0	122.91	130.99	131.32	109.85	123.33	123.64	101.07	110.28	110.53
1967 dollars	2.34	2.35	2.35	104.4	104.9	104.7	78.19	78.58	78.59	69.88	73.98	73.99	64.29	66.15	66.15
Finance, insurance, and real estate:															
Current dollars	4.05	4.28	4.36	158.4	167.8	170.7	149.04	156.22	160.01	130.19	141.04	143.97	120.18	129.24	132.09
1967 dollars	2.58	2.57	2.61	100.8	100.7	102.1	94.81	93.71	95.76	82.82	84.61	86.16	76.45	77.53	79.05
Services:															
Current dollars	3.99	4.26	4.28	172.3	184.3	184.9	134.46	143.14	144.24	118.88	131.89	132.64	109.52	119.41	120.24
1967 dollars	2.54	2.56	2.56	109.6	110.5	110.6	85.53	85.87	86.32	75.62	79.12	79.38	69.67	71.63	71.96

[1] Adjusted for overtime (manufacturing only) and interindustry employment shifts.

[2] Spendable earnings are calculated by deducting social security and Federal income taxes applicable to the gross average weekly earnings of all production or nonsupervisory workers. A technical note on the calculation and uses of the spendable earnings series is available on request.

[3] Data relate to production workers in mining and manufacturing; construction workers in contract construction; and nonsupervisory workers in transportation and public utilities, trade, finance, insurance, and real estate, and services. Included in this group are approximately four-fifths of all workers on private industry payrolls.

p=preliminary.

Table 2. Earnings of production or nonsupervisory workers on total private nonagricultural payrolls, seasonally adjusted

Series	1975											1976	
	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.[p]	Feb.[p]
Gross average hourly earnings:													
Current dollars	$4.43	$4.46	$4.47	$4.49	$4.51	$4.54	$4.57	$4.60	$4.63	$4.68	$4.68	$4.73	$4.75
1967 dollars	2.82	2.82	2.82	2.82	2.81	2.80	2.81	2.81	2.81	2.83	2.81	2.83	2.84
Hourly earnings index[1] (1967=100):													
Current dollars	167.8	169.1	169.4	170.6	172.2	173.1	174.6	175.2	176.7	178.2	178.6	179.8	180.7
1967 dollars	106.7	107.1	106.8	107.0	107.2	106.7	107.3	107.2	107.4	107.7	107.3	107.6	108.0
Gross average weekly earnings:													
Current dollars	$159.92	$160.11	$160.47	$161.19	$162.36	$163.44	$165.43	$166.06	$167.61	$169.88	$170.35	$173.12	$173.38
1967 dollars	101.67	101.40	101.12	101.06	101.10	100.76	101.62	101.57	101.89	102.65	102.37	103.60	103.63
Spendable average weekly earnings[2]:													
Current dollars	138.59	138.73	139.00	146.00	146.91	147.76	149.31	149.81	151.02	152.76	153.12	154.08	154.28
1967 dollars	88.11	87.86	87.59	91.54	91.48	91.10	91.71	91.63	91.81	92.30	92.02	92.21	92.22

[1] See footnote 1, table 1.
[2] Calculated for workers with 3 dependents who earned the average weekly earnings.

p = preliminary.

Table 3. Percentage change[1] over the year in earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

February 1975 — February 1976

Industry	Hourly earnings index [2] (1967 = 100)		Gross average weekly earnings		Spendable average weekly earnings [3]			
					Worker with three dependents		Worker with no dependents	
	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars
TOTAL PRIVATE	7.7	1.3	8.4	2.0	11.4	4.8	10.8	4.3
Mining	9.8	3.2	11.9	5.3	12.8	6.1	13.2	6.5
Contract construction	6.7	.3	10.2	3.7	11.2	4.6	11.5	4.9
Manufacturing	8.1	1.7	11.2	4.6	13.2	6.5	13.0	6.3
Transportation and public utilities	9.5	3.0	10.3	3.8	11.5	4.9	11.9	5.3
Wholesale and retail trade	6.6	.2	6.8	.5	12.6	5.9	9.4	2.9
Finance, insurance, and real estate	7.7	1.3	7.4	1.0	10.6	4.0	9.9	3.4
Services	7.3	.9	7.3	.9	11.6	5.0	9.8	3.3

NOTE: Percentage change over the year in the Consumer Price Index (all items, 1967 = 100) 6.3

[1] Based on preliminary data for the current month. Hourly earnings index changes are based on seasonally adjusted data. Gross and weekly changes are based on data that are not seasonally adjusted.
[2] See footnote 1, table 1.
[3] Calculated for workers who earned the average weekly earnings.

PRIVATE NONFARM AVERAGE EARNINGS
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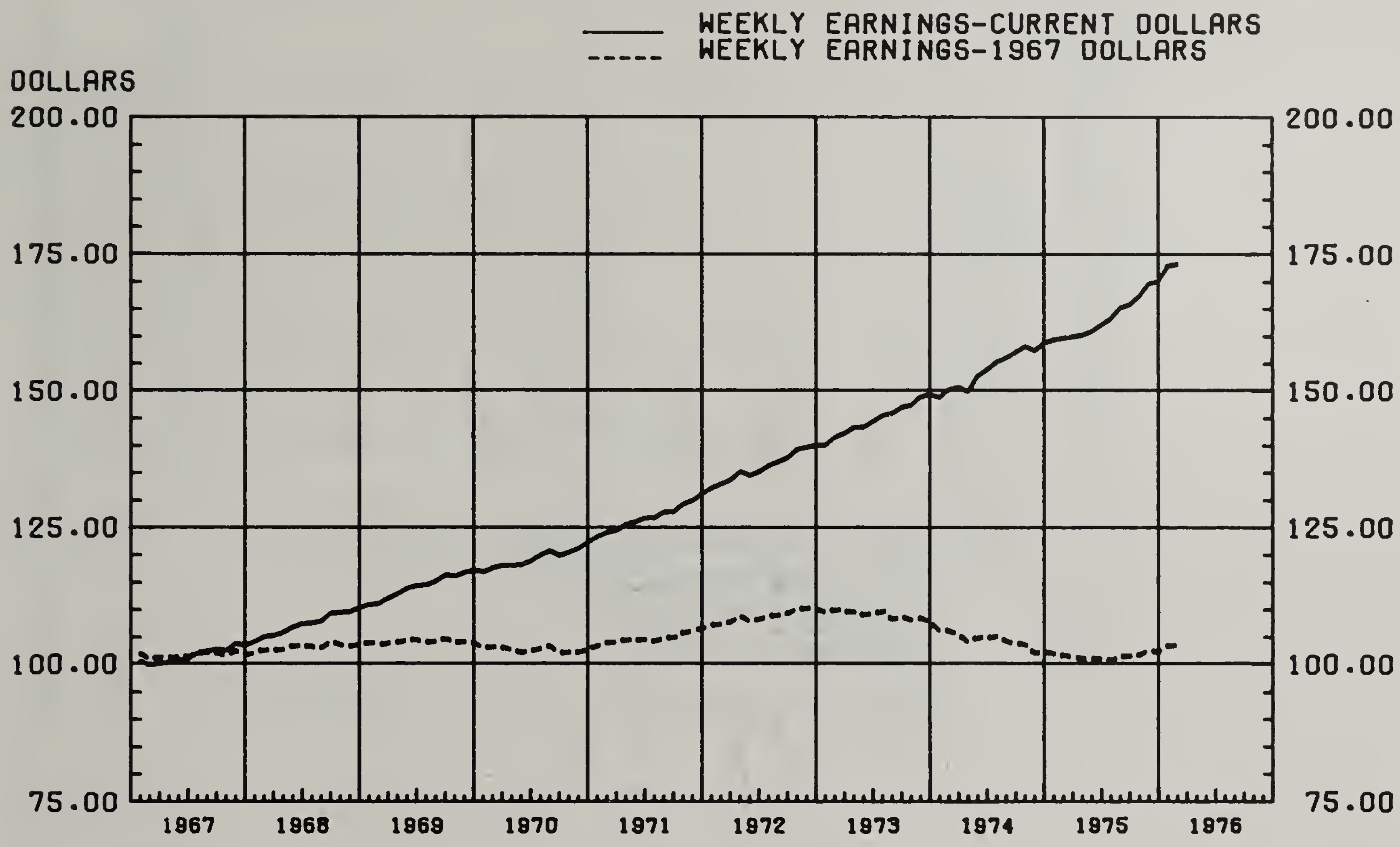

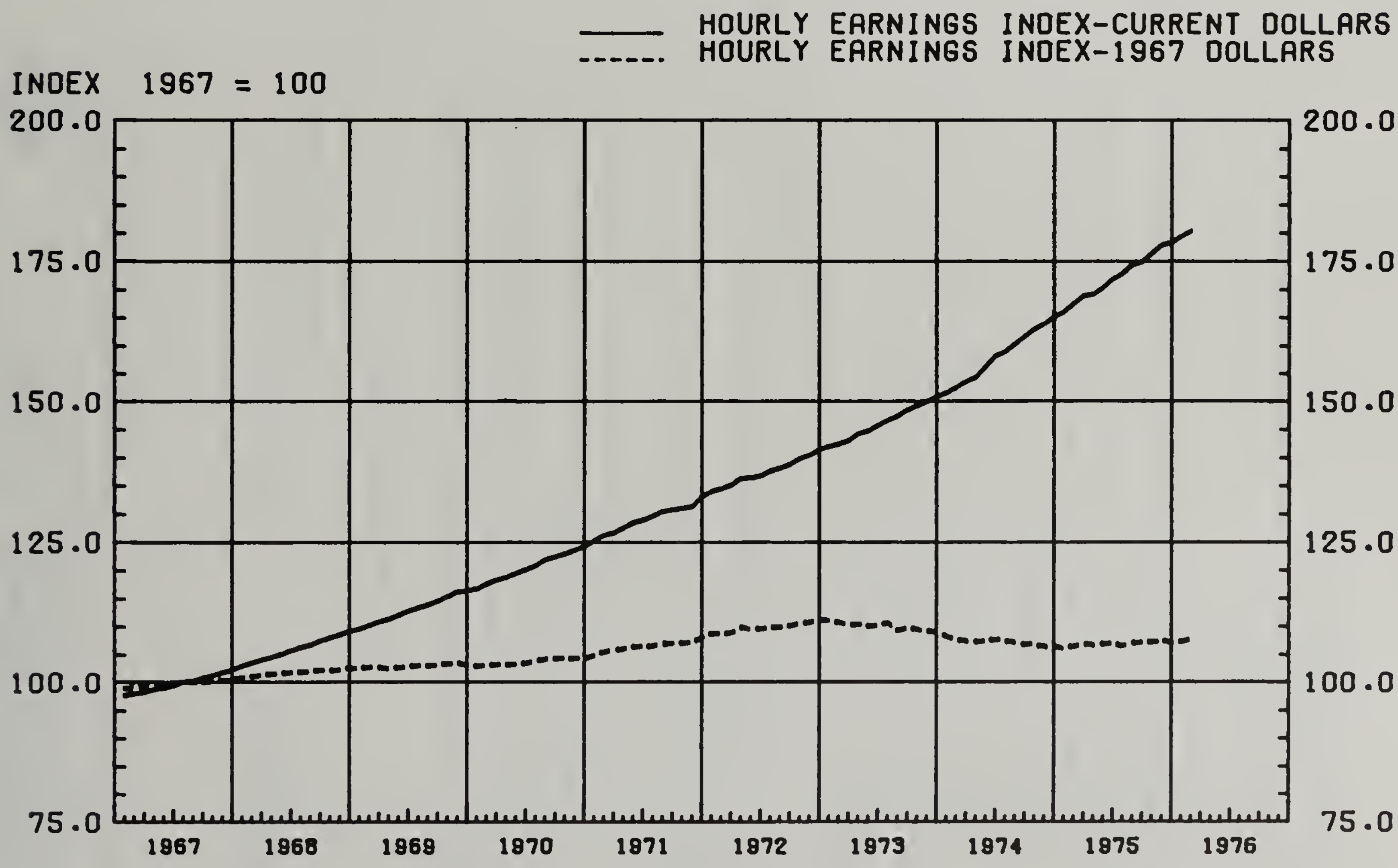

NOTE: Data for two most recent months are preliminary.

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USDL-76-857
FOR RELEASE: Transmission Embargo
10:00 A.M. (E.D.T.)
Friday, May 21, 1976

REAL EARNINGS IN APRIL 1976

Preliminary real earnings figures for April--covering full-time and part-time workers on production or nonsupervisory jobs in the private nonfarm sector of the American economy--were released today by the Bureau of Labor Statistics of the U.S. Department of Labor. (Real earnings--or earnings in constant dollars--are calculated by adjusting earnings in current dollars for changes in the Consumer Price Index.)

*Real gross average weekly earnings declined 1.0 percent from March to April after allowance for the usual seasonal variation. This was due to a 0.6 percent decrease in average weekly hours, no change in average hourly earnings, and a 0.4 percent increase in the Consumer Price Index. (See table A.)

Over the year, real average weekly earnings were up 0.9 percent. Average hourly earnings increased 6.7 percent and hours rose 0.3 percent, counteracting a 6.1 percent rise in the Consumer Price Index. (Before adjustment for the increase in the Consumer Price Index and for seasonal change, average weekly earnings were $170.41 in April, compared with $159.22 a year earlier. See table 1.)

*Real spendable earnings--average real weekly pay of all workers reduced by Social Security and Federal income tax rates applicable to a married worker with three dependents who earned the average amount--declined 0.9 percent from the March level, seasonally adjusted.

Over the year, real spendable earnings were up 3.8 percent. This increase was due to a gain in real average weekly earnings and a reduction in Federal income tax rates which went into effect May 1, 1975.

Table A. Composition of change in real earnings (production or nonsupervisory workers on private nonfarm payrolls)

Month	(1) Average hourly earnings	(2) Average weekly hours	(3) Average weekly earnings	(4) Consumer price index	(5) Real average weekly earnings	(6) Average tax effect 1/	(7) Real spendable earnings 2/
	Percent change from preceding month, seasonally adjusted						
1975							
April	0.2	0.0	0.2	0.5	-0.3	3/	-0.3
May	0.4	0.0	0.4	0.5	0.1	-4.6	4.5
June	0.4	0.3	0.7	0.7	3/	0.1	-0.1
July	0.7	0.0	0.7	1.0	-0.3	0.1	-0.4
Aug.	0.7	0.6	1.2	0.4	.9	0.2	0.7
Sept.	0.7	-0.3	0.4	0.4	3/	3/	-0.1
Oct.	0.7	0.3	0.9	0.6	0.3	0.1	0.2
Nov.	1.1	0.3	1.4	0.6	0.7	0.2	0.5
Dec.	0.0	0.3	0.3	0.5	-.3	3/	-0.3
1976							
Jan.	1.1	0.3	1.4	0.4	0.9	0.9	3/
Feb.	0.4	-0.3	0.1	0.1	3/	3/	3/
March p	0.4	-0.5	-0.1	0.2	-0.3	3/	-0.3
April p	0.0	-0.6	-0.6	0.4	-1.0	-0.1	-0.9
	Percent change from same month a year ago						
1975							
April	8.5	-1.4	7.0	10.2	-2.9	0.8	-3.6
May	7.4	-2.2	5.1	9.5	-4.0	-4.1	-0.1
June	7.1	-1.6	5.4	9.3	-3.6	-4.0	0.2
July	7.1	-1.9	5.1	9.7	-4.2	-4.1	-0.4
Aug.	7.0	-1.1	5.9	8.6	-2.5	-4.0	1.3
Sept.	6.7	-1.1	5.5	7.8	-2.2	-4.0	1.6
Oct.	6.6	-0.8	5.8	7.6	-1.7	-3.9	2.1
Nov.	7.3	0.3	7.6	7.3	0.3	-3.6	3.9
Dec.	6.8	0.3	7.1	7.0	0.1	-3.6	3.8
1976							
Jan.	7.3	0.8	8.2	6.8	1.3	-2.8	4.1
Feb.	7.2	0.8	8.1	6.3	1.7	-2.8	4.5
March p	7.0	0.8	7.9	6.1	1.6	-2.8	4.5
April p	6.7	0.3	7.0	6.1	0.9	-2.9	3.8

Note: The following relationships hold approximately:
column (1) + column (2) = column (3)
column (3) - column (4) = column (5)
column (5) - column (6) = column (7)

p = preliminary

[1/] Effect of the change in average social security and federal income tax rates for a worker with 3 dependents who earned the average weekly earnings.

[2/] Worker with 3 dependents who earned the average weekly earnings.

[3/] **Less than 0.05.**

Table 1. Earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

Industry	Gross average hourly earnings			Hourly earnings index [1] (1967 = 100)			Gross average weekly earnings			Spendable average weekly earnings [2]					
										Worker with three dependents			Worker with no dependents		
	Apr. 1975	Mar. 1976p	Apr. 1976p	Apr. 1975	Mar. 1976p	Apr. 1976p	Apr. 1975	Mar. 1976p	Apr. 1976p	Apr. 1975	Mar. 1976p	Apr. 1976p	Apr. 1975	Mar. 1976p	Apr. 1976p
TOTAL PRIVATE: [3]															
Current dollars	$4.46	$4.75	$4.76	169.4	181.2	182.0	$159.22	$170.53	$170.41	$138.05	$152.08	$151.99	$127.49	$139.75	$139.66
1967 dollars	2.81	2.84	2.83	106.8	108.2	108.2	100.39	101.81	101.31	87.04	90.79	90.36	80.38	83.43	83.03
Mining:															
Current dollars	5.73	6.29	6.30	178.6	194.3	195.4	233.78	266.70	272.16	196.01	225.14	229.37	181.92	209.70	213.60
1967 dollars	3.61	3.76	3.75	112.6	116.0	116.2	147.40	159.22	161.81	123.59	134.41	136.37	114.70	125.19	126.99
Contract construction:															
Current dollars	7.12	7.56	7.49	172.0	181.3	181.0	259.17	269.89	276.38	215.45	227.61	232.60	200.04	211.98	216.62
1967 dollars	4.49	4.51	4.45	108.4	108.3	107.6	163.41	161.13	164.32	135.84	135.89	138.29	126.13	126.56	128.79
Manufacturing:															
Current dollars	4.73	5.05	5.05	168.6	180.9	181.7	184.00	202.40	197.46	157.18	176.12	172.41	145.50	162.73	159.18
1967 dollars	2.98	3.01	3.00	106.3	108.0	108.0	116.02	120.84	117.40	99.10	105.15	102.50	91.74	97.15	94.64
Transportation and public utilities:															
Current dollars	5.75	6.29	6.34	177.3	194.3	195.9	226.55	249.08	249.16	190.37	211.54	211.60	176.64	197.11	197.16
1967 dollars	3.63	3.76	3.77	111.8	116.0	116.5	142.84	148.70	148.13	120.03	126.29	125.80	111.37	117.68	117.22
Wholesale and retail trade:															
Current dollars	3.69	3.90	3.91	165.4	174.5	175.6	123.25	129.87	131.38	110.12	122.27	123.69	101.32	109.44	110.57
1967 dollars	2.33	2.33	2.32	104.3	104.2	104.4	77.71	77.53	78.11	69.43	73.00	73.54	63.88	65.34	65.74
Finance, insurance, and real estate:															
Current dollars	4.09	4.30	4.31	159.7	168.3	168.6	148.06	156.52	156.88	129.44	141.28	141.55	119.47	129.46	129.74
1967 dollars	2.58	2.57	2.56	100.7	100.5	100.3	93.35	93.44	93.27	81.61	84.35	84.16	75.33	77.29	77.13
Services:															
Current dollars	3.99	4.29	4.29	172.4	185.4	185.6	133.67	142.86	142.86	118.26	131.70	131.70	108.94	119.20	119.20
1967 dollars	2.52	2.56	2.55	108.7	110.7	110.3	84.28	85.29	84.93	74.56	78.63	78.30	68.69	71.16	70.87

[1] Adjusted for overtime (manufacturing only) and interindustry employment shifts.

[2] Spendable earnings are calculated by deducting social security and Federal income taxes applicable to the gross average weekly earnings of all production or nonsupervisory workers. A technical note on the calculation and uses of the spendable earnings series is available on request.

[3] Data relate to production workers in mining and manufacturing; construction workers in contract construction; and nonsupervisory workers in transportation and public utilities, trade, finance, insurance, and real estate, and services. Included in this group are approximately four-fifths of all workers on private industry payrolls.

p=preliminary.

*The Hourly Earnings Index in dollars of constant purchasing power decreased 0.1 percent from March. Compared with a year ago, the index was up 1.3 percent. (See tables 2 and 3.) The index excludes the effects of overtime in manufacturing and of interindustry shifts, such as the shift of workers between high-wage and low-wage industries.

Spendable earnings are calculated by taking the average weekly pay for all production or nonsupervisory jobs, both full-time and part-time, and then deducting social security and Federal income taxes applicable to a single worker or to a worker with three dependents who made this amount.

Real spendable earnings, or purchasing power, represents the buying power of the spendable earnings of a worker earning the average pay and with the applicable deductions, after allowance for price changes from the 1967 base period, that is, adjustment by the Consumer Price Index.

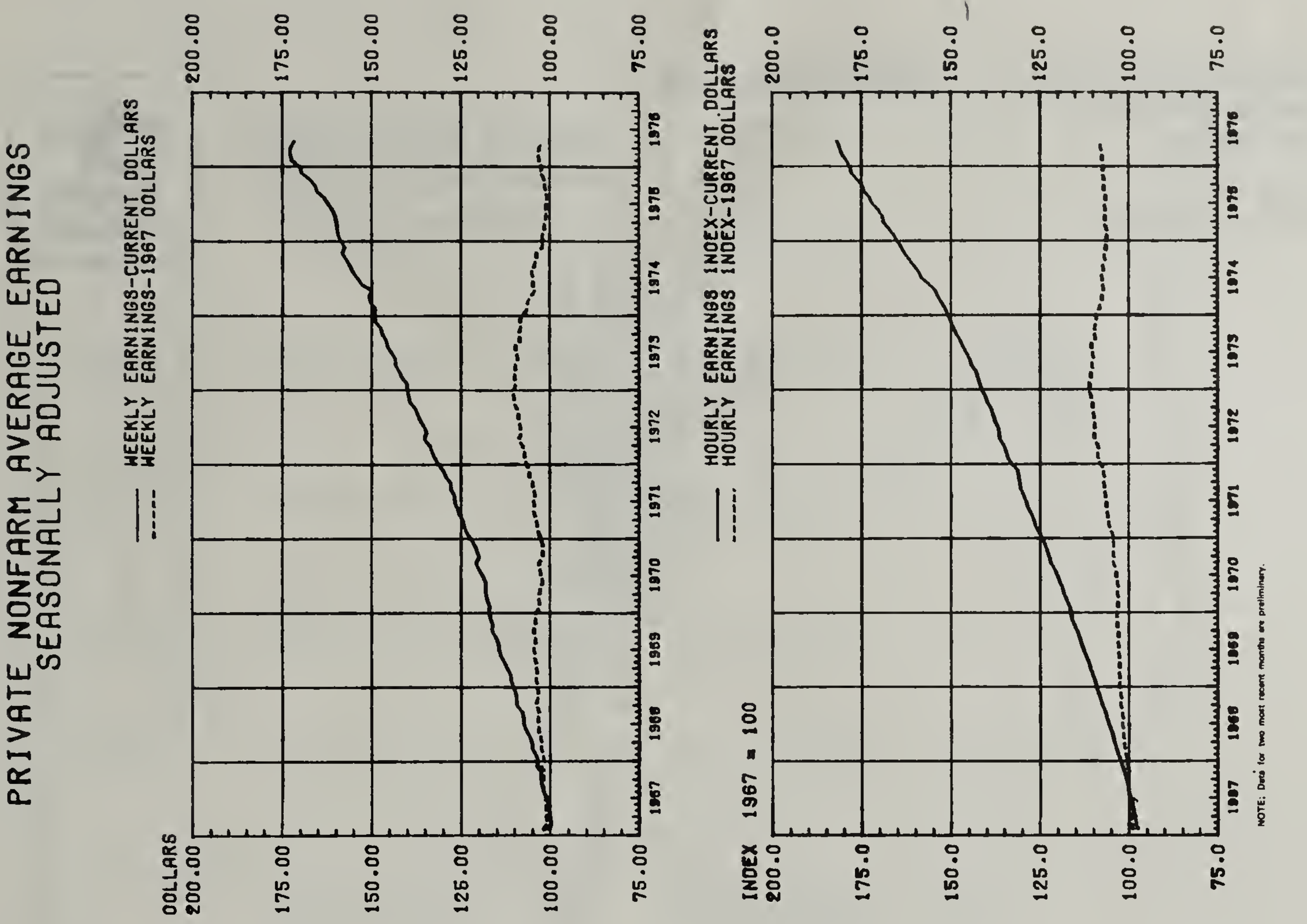
The earnings series from which spendable and real spendable earnings are derived—gross average weekly earnings—is an arithmetic average of the earnings of all production or nonsupervisory jobs, including part-time jobs. Therefore, it is less than the average weekly earnings of full-time wage earners. It should be noted that the series on spendable earnings represents only the average earnings for those rank-and-file workers whose weekly pay approximates the averages indicated. The actual earnings level of workers with three dependents tends to be higher than the average figures given above, since workers with three dependents are generally older and more experienced and thus likely to command higher hourly wage rates and work more hours. Month-to-month and year-to-year changes in actual spendable earnings for this worker might also differ from the average estimates presented in this release.

The hourly earnings index is designed to measure underlying wage movements for production or nonsupervisory workers in the private nonfarm economy. It is adjusted to exclude the effects of two types of changes that are not related to underlying wage rate developments: overtime in manufacturing (the only sector for which overtime data are available) and interindustry employment shifts, such as shifts of workers between high-wage and low-wage industries.

Seasonally adjusted data are preferred by some users for analyzing general earnings trends in the economy since they eliminate the effect of changes that normally occur at the same time and in about the same magnitude each year and, therefore, reveal the underlying cyclical trends. These changes in average earnings may be due to seasonal changes in the proportion of workers in high-wage and low-wage industries or occupations, or to seasonal changes in the amount of overtime work, and so on. The seasonally adjusted data are presented in table 2.

For a comprehensive discussion of the spendable earnings series and hourly earnings index, and their relation to other wage data, see the following articles: Jack Alterman, "Compensation per Man-Hour and Take Home Pay," *Monthly Labor Review,* June 1971; Thomas Gavett, "Measures of Change in Real Wages and Earnings," *Monthly Labor Review,* February 1972; Norman Samuels, "Developing a General Wage Index," *Monthly Labor Review,* March 1971; Paul Schwab, "Two Measures of Purchasing Power Contrasted," *Monthly Labor Review,* April 1971; and Eric Dmytrow and Janet Grimes, "Changes in the Spendable Earnings Series for 1976: Effects of the Tax Adjustment Act of 1975 and the Social Security Tax Base Change," Employment and Earnings, March 1976.

The Bureau of Labor Statistics also publishes a set of series on annual after-tax earnings which are derived from the Current Population Survey. These data reflect the actual annual earnings of heads of households with various sizes and compositions. They are discussed in detail by Paul M. Ryscavage in the article, "Annual Earnings of Household Heads," *Monthly Labor Review,* August 1975. Current data are in the press release "Real After Tax Annual Earnings of Household Heads in Production and Nonsupervisory Jobs, 1974."



NOTE: Data for two most recent months are preliminary.

Table 2. Earnings of production or nonsupervisory workers on total private nonagricultural payrolls, seasonally adjusted

Series	1975									1976			
	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.p
Gross average hourly earnings:													
Current dollars	$4.47	$4.49	$4.51	$4.54	$4.57	$4.60	$4.63	$4.68	$4.68	$4.73	$4.75	$4.77	$4.77
1967 dollars	2.82	2.82	2.81	2.80	2.81	2.81	2.81	2.83	2.81	2.83	2.84	2.85	2.83
Hourly earnings index[1] (1967=100):													
Current dollars	169.4	170.6	172.2	173.1	174.6	175.2	176.7	178.2	178.6	179.6	180.8	181.4	182.0
1967 dollars	106.8	107.0	107.2	106.7	107.3	107.2	107.4	107.7	107.3	107.5	108.1	108.2	108.1
Gross average weekly earnings:													
Current dollars	$160.47	$161.19	$162.36	$163.44	$165.43	$166.06	$167.61	$169.88	$170.35	$172.65	$172.90	$172.67	$171.72
1967 dollars	101.12	101.06	101.10	100.76	101.62	101.57	101.89	102.65	102.37	103.32	103.35	103.03	102.03
Spendable average weekly earnings[2]:													
Current dollars	139.00	146.00	146.91	147.76	149.31	149.81	151.02	152.76	153.12	153.72	153.91	153.73	153.00
1967 dollars	87.59	91.54	91.48	91.10	91.71	91.63	91.81	92.30	92.02	91.99	92.00	91.72	90.91

[1] See footnote 1, table 1.

[2] Calculated for workers with 3 dependents who earned the average weekly earnings.

p = preliminary.

Table 3. Percentage change[1] over the year in earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

April 1975 — April 1976

Industry	Hourly earnings index [2] (1967 = 100)		Gross average weekly earnings		Spendable average weekly earnings [3]			
					Worker with three dependents		Worker with no dependents	
	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars
TOTAL PRIVATE	7.4	1.3	7.0	0.9	10.1	3.8	9.5	3.3
Mining	9.4	3.2	16.4	9.8	17.0	10.3	17.4	10.7
Contract construction	5.2	-.8	6.6	.6	8.0	1.8	8.3	2.1
Manufacturing	7.8	1.6	7.3	1.2	9.7	3.4	9.4	3.2
Transportation and public utilities	10.5	4.2	10.0	3.7	11.2	4.8	11.6	5.3
Wholesale and retail trade	6.2	.1	6.6	.5	12.3	5.9	9.1	2.9
Finance, insurance, and real estate	5.6	-.4	6.0	-.1	9.4	3.1	8.6	2.4
Services	7.7	1.5	6.9	.8	11.4	5.0	9.4	3.2

NOTE: Percentage change over the year in the Consumer Price Index (all items, 1967 = 100) 6.1

[1] Based on preliminary data for the current month. Hourly earnings index changes are based on seasonally adjusted data. Gross and weekly changes are based on data that are not seasonally adjusted.

[2] See footnote 1, table 1.

[3] Calculated for workers who earned the average weekly earnings.

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USDL-76-711
FOR RELEASE: Transmission Embargo
10:00 A.M. (E.S.T.)
Wednesday, April 21, 1976

REAL EARNINGS IN MARCH 1976

Preliminary real earnings figures for March--covering full-time and part-time workers on production or nonsupervisory jobs in the private nonfarm sector of the American economy--were released today by the Bureau of Labor Statistics of the U.S. Department of Labor. (Real earnings--or earnings in constant dollars--are calculated by adjusting earnings in current dollars for changes in the Consumer Price Index.)

*Real gross average weekly earnings declined 0.8 percent from February to March after allowance for the usual seasonal variation. A 0.2 percent increase in average hourly earnings was offset by a 0.8 percent decline in average weekly hours and a 0.2 percent increase in the Consumer Price Index. (See table A.)

Over the year, real average weekly earnings were up 1.4 percent. Average hourly earnings increased 6.8 percent and hours rose 0.8 percent, counteracting a 6.1 percent rise in the Consumer Price Index. (Before adjustment for the increase in the Consumer Price Index and for seasonal change, average weekly earnings were $170.17 in March, compared with $158.06 a year earlier. See table 1.)

*Real spendable earnings--average real weekly pay of all workers reduced by Social Security and Federal income tax rates applicable to a married worker with three dependents who earned the average amount--declined 0.7 percent from the February level, seasonally adjusted.

Over the year, real spendable earnings were up 4.3 percent. This increase was due to a gain in real average weekly earnings and a reduction in Federal income tax rates which went into effect May 1, 1975.

Table A. Composition of change in real earnings (production or nonsupervisory workers on private nonfarm payrolls)

Month	(1) Average hourly earnings	(2) Average weekly hours	(3) Average weekly earnings	(4) Consumer price index	(5) Real average weekly earnings	(6) Average tax effect 1/	(7) Real spendable earnings 2/
	Percent change from preceding month, seasonally adjusted						
1975							
March	0.7	-0.6	0.1	0.4	-0.3	3/	-0.3
April	0.2	0.0	0.2	0.5	-0.3	3/	-0.3
May	0.4	0.0	0.4	0.5	0.1	-4.6	4.5
June	0.4	0.3	0.7	0.7	3/	0.1	-0.1
July	0.7	0.0	0.7	1.0	-0.3	0.1	-0.4
Aug.	0.7	0.6	1.2	0.4	.9	0.2	0.7
Sept.	0.7	-0.3	0.4	0.4	3/	3/	-0.1
Oct.	0.7	0.3	0.9	0.6	0.3	0.1	0.2
Nov.	1.1	0.3	1.4	0.6	0.7	0.2	0.5
Dec.	0.0	0.3	0.3	0.5	-.3	3/	-0.3
1976							
Jan.	1.1	0.3	1.4	0.4	0.9	0.2	0.7
Feb. p	0.4	0.0	0.4	0.1	0.3	0.1	0.3
March p	0.2	-0.8	-0.6	0.2	-0.8	-0.1	-0.7
	Percent change from same month a year ago						
1975							
March	8.6	-2.5	5.9	10.3	-4.0	0.7	-4.6
April	8.5	-1.4	7.0	10.2	-2.9	0.8	-3.6
May	7.4	-2.2	5.1	9.5	-4.0	-4.1	-0.1
June	7.1	-1.6	5.4	9.3	-3.6	-4.0	0.2
July	7.1	-1.9	5.1	9.7	-4.2	-4.1	-0.4
Aug.	7.0	-1.1	5.9	8.6	-2.5	-4.0	1.3
Sept.	6.7	-1.1	5.5	7.8	-2.2	-4.0	1.6
Oct.	6.6	-0.8	5.8	7.6	-1.7	-3.9	2.1
Nov.	7.3	0.3	7.6	7.3	0.3	-3.6	3.9
Dec.	6.8	0.3	7.1	7.0	0.1	-3.6	3.8
1976							
Jan.	7.3	0.8	8.2	6.8	1.3	-2.8	4.1
Feb. p	7.2	1.1	8.4	6.3	2.0	-2.7	4.8
March p	6.8	0.8	7.7	6.1	1.4	-2.8	4.3

Note: The following relationships hold approximately:
column (1) + column (2) = column (3)
column (3) - column (4) = column (5)
column (5) - column (6) = column (7)

p = preliminary
1/ Effect of the change in average social security and federal income tax rates for a worker with 3 dependents who earned the average weekly earnings.
2/ Worker with 3 dependents who earned the average weekly earnings.
3/ Less than 0.05.

*The Hourly Earnings Index in dollars of constant purchasing power increased 0.2 percent from February. Compared with a year ago, the index was up 1.0 percent. (See tables 2 and 3.) The index excludes the effects of overtime in manufacturing and of interindustry shifts, such as the shift of workers between high-wage and low-wage industries.

Spendable earnings are calculated by taking the average weekly pay for all production or nonsupervisory jobs, both full-time and part-time, and then deducting social security and Federal income taxes applicable to a single worker or to a worker with three dependents who made this amount.

Real spendable earnings, or purchasing power, represents the buying power of the spendable earnings of a worker earning the average pay and with the applicable deductions, after allowance for price changes from the 1967 base period, that is, adjustment by the Consumer Price Index.

The earnings series from which spendable and real spendable earnings are derived—gross average weekly earnings—is an arithmetic average of the earnings of all production or nonsupervisory jobs, including part-time jobs. Therefore, it is less than the average weekly earnings of full-time wage earners. It should be noted that the series on spendable earnings represents only the average earnings for those rank-and-file workers whose weekly pay approximates the averages indicated. The actual earnings level of workers with three dependents tends to be higher than the average figures given above, since workers with three dependents are generally older and more experienced and thus likely to command higher hourly wage rates and work more hours. Month-to-month and year-to-year changes in actual spendable earnings for this worker might also differ from the average estimates presented in this release.

The hourly earnings index is designed to measure underlying wage movements for production or nonsupervisory workers in the private nonfarm economy. It is adjusted to exclude the effects of two types of changes that are not related to underlying wage rate developments: overtime in manufacturing (the only sector for which overtime data are available) and interindustry employment shifts, such as shifts of workers between high-wage and low-wage industries.

Seasonally adjusted data are preferred by some users for analyzing general earnings trends in the economy since they eliminate the effect of changes that normally occur at the same time and in about the same magnitude each year and, therefore, reveal the underlying cyclical trends. These changes in average earnings may be due to seasonal changes in the proportion of workers in high-wage and low-wage industries or occupations, or to seasonal changes in the amount of overtime work, and so on. The seasonally adjusted data are presented in table 2.

For a comprehensive discussion of the spendable earnings series and hourly earnings index, and their relation to other wage data, see the following articles: Jack Alterman, "Compensation per Man-Hour and Take Home Pay," *Monthly Labor Review*, June 1971; Thomas Gavett, "Measures of Change in Real Wages and Earnings," *Monthly Labor Review*, February 1972; Norman Samuels, "Developing a General Wage Index," *Monthly Labor Review*, March 1971; Paul Schwab, "Two Measures of Purchasing Power Contrasted," *Monthly Labor Review*, April 1971; and Eric Dmytrow and Janet Grimes, "Changes in the Spendable Earnings Series for 1976: Effects of the Tax Adjustment Act of 1975 and the Social Security Tax Base Change," Employment and Earnings, March 1976.

The Bureau of Labor Statistics also publishes a set of series on annual after-tax earnings which are derived from the Current Population Survey. These data reflect the actual annual earnings of heads of households with various sizes and compositions. They are discussed in detail by Paul M. Ryscavage in the article, "Annual Earnings of Household Heads," *Monthly Labor Review*, August 1975. Current data are in the press release "Real After Tax Annual Earnings of Household Heads in Production and Nonsupervisory Jobs, 1974."

Table 1. Earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

Industry	Gross average hourly earnings			Hourly earnings index [1] (1967 = 100)			Gross average weekly earnings			Spendable average weekly earnings [2]					
										Worker with three dependents			Worker with no dependents		
	Mar. 1975	Feb. 1976p	Mar. 1976p	Mar. 1975	Feb. 1976p	Mar. 1976p	Mar. 1975	Feb. 1976p	Mar. 1976p	Mar. 1975	Feb. 1976p	Mar. 1976p	Mar. 1975	Feb. 1976p	Mar. 1976p
TOTAL PRIVATE: [3]															
Current dollars.	$4.44	$4.74	$4.74	168.9	180.6	181.0	$158.06	$171.11	$170.17	$137.15	$152.53	$151.81	$126.68	$140.17	$139.49
1967 dollars.	2.81	2.84	2.83	107.0	108.1	108.1	100.16	102.40	101.59	86.91	91.28	90.63	80.28	83.88	83.28
Mining:															
Current dollars.	5.75	6.31	6.28	178.3	194.8	194.5	237.48	268.81	261.25	198.89	226.77	220.93	184.61	211.21	205.81
1967 dollars.	3.64	3.78	3.75	113.0	116.6	116.1	150.49	160.87	155.97	126.04	135.71	131.90	116.99	126.40	122.87
Contract construction:															
Current dollars.	7.14	7.49	(4)	171.4	179.7	(4)	247.76	274.13	(4)	206.91	230.89	(4)	192.04	215.01	(4)
1967 dollars.	4.52	4.48	(4)	108.6	107.5	(4)	157.01	164.05	(4)	131.12	138.17	(4)	121.70	128.67	(4)
Manufacturing:															
Current dollars.	4.72	5.04	5.07	167.9	180.1	181.0	182.66	201.60	202.80	156.13	175.52	176.42	144.51	162.16	163.01
1967 dollars.	2.99	3.02	3.03	106.4	107.8	108.0	115.75	120.65	121.07	98.94	105.04	105.33	91.58	97.04	97.32
Transportation and public utilities:															
Current dollars.	5.72	6.25	6.26	176.3	193.0	192.9	224.80	246.25	245.39	189.00	209.35	208.69	175.37	195.08	194.45
1967 dollars.	3.62	3.74	3.74	111.7	115.5	115.2	142.46	147.37	146.50	119.77	125.28	124.59	111.13	116.74	116.09
Wholesale and retail trade:															
Current dollars.	3.68	3.89	3.89	164.6	173.9	174.2	123.28	129.93	129.93	110.14	122.33	122.33	101.34	109.48	109.48
1967 dollars.	2.33	2.33	2.32	104.3	104.1	104.0	78.12	77.76	77.57	69.80	73.21	73.03	64.22	65.52	65.36
Finance, insurance, and real estate:															
Current dollars.	4.09	4.32	4.31	159.9	168.8	168.2	149.29	158.11	156.45	130.39	142.50	141.22	120.37	130.66	129.41
1967 dollars.	2.59	2.59	2.57	101.3	101.0	100.4	94.61	94.62	93.40	82.63	85.28	84.31	76.28	78.19	77.26
Services:															
Current dollars.	4.00	4.29	4.28	172.7	185.4	184.6	134.40	143.72	142.95	118.83	132.29	131.76	109.47	119.85	119.27
1967 dollars.	2.53	2.57	2.56	109.4	111.0	110.2	85.17	86.01	85.34	75.30	79.17	78.66	69.37	71.72	71.21

[1] Adjusted for overtime (manufacturing only) and interindustry employment shifts.

[2] Spendable earnings are calculated by deducting social security and Federal income taxes applicable to the gross average weekly earnings of all production or nonsupervisory workers. A technical note on the calculation and uses of the spendable earnings series is available on request.

[3] Data relate to production workers in mining and manufacturing; construction workers in contract construction; and nonsupervisory workers in transportation and public utilities, trade, finance, insurance, and real estate, and services. Included in this group are approximately four-fifths of all workers on private industry payrolls.

4/ Not available.

p=preliminary.

Table 2. Earnings of production or nonsupervisory workers on total private nonagricultural payrolls, seasonally adjusted

Series	1975										1976		
	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.p	Mar.p
Gross average hourly earnings:													
Current dollars	$4.46	$4.47	$4.49	$4.51	$4.54	$4.57	$4.60	$4.63	$4.68	$4.68	$4.73	$4.75	$4.76
1967 dollars	2.82	2.82	2.82	2.81	2.80	2.81	2.81	2.81	2.83	2.81	2.83	2.84	2.84
Hourly earnings index[1] (1967=100):													
Current dollars	169.1	169.4	170.6	172.2	173.1	174.6	175.2	176.7	178.2	178.6	179.6	180.6	181.2
1967 dollars	107.1	106.8	107.0	107.2	106.7	107.3	107.2	107.4	107.7	107.3	107.5	107.9	108.1
Gross average weekly earnings:													
Current dollars	$160.11	$160.47	$161.19	$162.36	$163.44	$165.43	$166.06	$167.61	$169.88	$170.35	$172.65	$173.38	$172.31
1967 dollars	101.40	101.12	101.06	101.10	100.76	101.62	101.57	101.89	102.65	102.37	103.32	103.63	102.81
Spendable average weekly earnings[2]:													
Current dollars	138.73	139.00	146.00	146.91	147.76	149.31	149.81	151.02	152.76	153.12	153.72	154.28	153.46
1967 dollars	87.86	87.59	91.54	91.48	91.10	91.71	91.63	91.81	92.30	92.02	91.99	92.22	91.56

[1] See footnote 1, table 1.

[2] Calculated for workers with 3 dependents who earned the average weekly earnings.

p = preliminary.

Table 3. Percentage change[1] over the year in earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division
March 1975 - March 1976

Industry	Hourly earnings index [2] (1967 = 100)		Gross average weekly earnings		Spendable average weekly earnings [3]			
					Worker with three dependents		Worker with no dependents	
	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars
TOTAL PRIVATE	7.2	1.0	7.7	1.4	10.7	4.3	10.1	3.7
Mining	9.1	2.8	10.0	3.6	11.1	4.6	11.5	5.0
Contract construction	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Manufacturing	7.8	1.5	11.0	4.6	13.0	6.5	12.8	6.3
Transportation and public utilities	9.4	3.1	9.2	2.8	10.4	4.0	10.9	4.5
Wholesale and retail trade	5.8	-0.3	5.4	-0.7	11.1	4.6	8.0	1.8
Finance, insurance, and real estate	5.2	-0.9	4.8	-1.3	8.3	2.0	7.5	1.3
Services	6.9	.7	6.4	.2	10.9	4.5	9.0	2.7

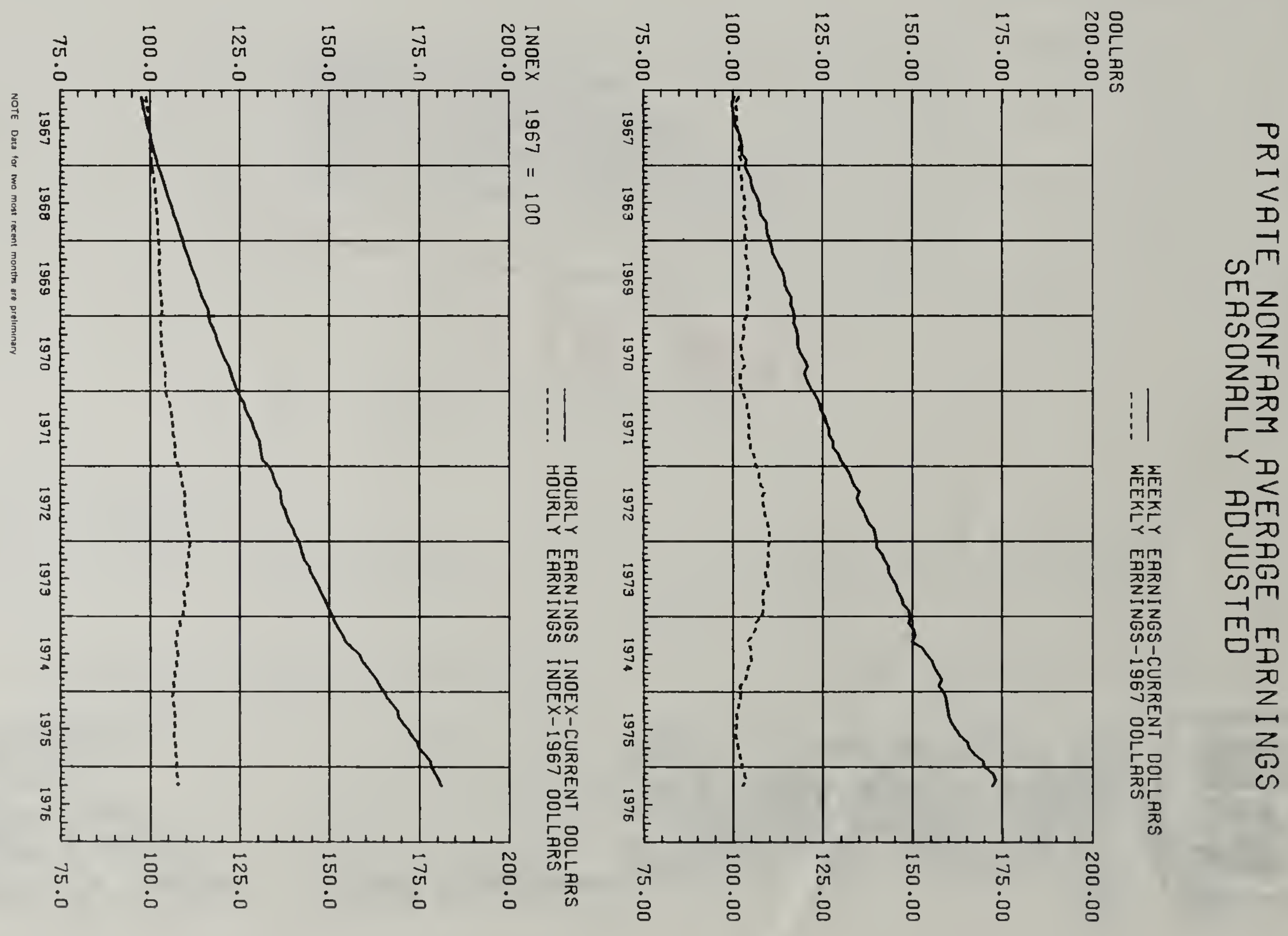
NOTE: Percentage change over the year in the Consumer Price Index (all items, 1967 = 100) 6.1

[1] Based on preliminary data for the current month. Hourly earnings index changes are based on seasonally adjusted data. Gross and weekly changes are based on data that are not seasonally adjusted.

[2] See footnote 1, table 1.

[3] Calculated for workers who earned the average weekly earnings.

4/ Not available.



PRIVATE NONFARM AVERAGE EARNINGS SEASONALLY ADJUSTED

NOTE Data for two most recent months are preliminary

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USDL-76-957
FOR RELEASE: Transmission Embargo
10:00 A.M. (E.D.T.)
Tuesday, June 22, 1976

REAL EARNINGS IN MAY 1976

Preliminary real earnings figures for May--covering full-time and part-time workers on production or nonsupervisory jobs in the private nonfarm sector of the American economy--were released today by the Bureau of Labor Statistics of the U.S. Department of Labor. (Real earnings--or earnings in constant dollars--are calculated by adjusting earnings in current dollars for changes in the Consumer Price Index.)

*Real gross average weekly earnings increased 1.5 percent from April to May after allowance for the usual seasonal variation. This was due to a 0.8 percent increase in average weekly hours and a 1.3 percent increase in average hourly earnings, which offset a 0.6 percent increase in the Consumer Price Index. (See table A.)

Over the year, real average weekly earnings were up 2.6 percent. Average hourly earnings increased 7.8 percent and hours rose 1.1 percent, counteracting a 6.2 percent rise in the Consumer Price Index. (Before adjustment for the increase in the Consumer Price Index and for seasonal change, average weekly earnings were $174.85 in May, compared with $160.38 a year earlier. See table 1.)

*Real spendable earnings--average real weekly pay of all workers reduced by Social Security and Federal income tax rates applicable to a married worker with three dependents who earned the average amount--increased 1.2 percent from the April level, seasonally adjusted.

Over the year, real spendable earnings were up 0.7 percent. This small over-the-year increase in contrast to the over-the-month change is due to the effect of changes in the tax law over the past year. Significant reductions in tax liabilities became effective in May 1975.

Table A. Composition of change in real earnings (production or nonsupervisory workers on private nonfarm payrolls)

Month	(1) Average hourly earnings	(2) Average weekly hours	(3) Average weekly earnings	(4) Consumer price index	(5) Real average weekly earnings	(6) Average tax effect 1/	(7) Real spendable earnings 2/
	Percent change from preceding month, seasonally adjusted						
1975							
May	0.4	0.0	0.4	0.5	0.1	-4.6	4.5
June	0.4	0.3	0.7	0.7	3/	0.1	-0.1
July	0.7	0.0	0.7	1.0	-0.3	0.1	-0.4
Aug.	0.7	0.6	1.2	0.4	0.9	0.2	0.7
Sept.	0.7	-0.3	0.4	0.4	3/	3/	-0.1
Oct.	0.7	0.3	0.9	0.6	0.3	0.1	0.2
Nov.	1.1	0.3	1.4	0.6	0.7	0.2	0.5
Dec.	0.0	0.3	0.3	0.5	-0.3	3/	-0.3
1976							
Jan.	1.1	0.3	1.4	0.4	0.9	0.9	3/
Feb.	0.4	-0.3	0.1	0.1	3/	3/	3/
March	0.4	-0.5	-0.1	0.2	-0.3	3/	-0.3
April p	0.2	-0.6	-0.3	0.4	-0.8	3/	-0.7
May p	1.3	0.8	2.1	0.6	1.5	0.3	1.2
	Percent change from same month a year ago						
1975							
May	7.4	-2.2	5.1	9.5	-4.0	-4.1	-0.1
June	7.1	-1.6	5.4	9.3	-3.6	-4.0	0.2
July	7.1	-1.9	5.1	9.7	-4.2	-4.1	-0.4
Aug.	7.0	-1.1	5.9	8.6	-2.5	-4.0	1.3
Sept.	6.7	-1.1	5.5	7.8	-2.2	-4.0	1.6
Oct.	6.6	-0.8	5.8	7.6	-1.7	-3.9	2.1
Nov.	7.3	0.3	7.6	7.3	0.3	-3.6	3.9
Dec.	6.8	0.3	7.1	7.0	0.1	-3.6	3.8
1976							
Jan.	7.3	0.8	8.2	6.8	1.3	-2.8	4.1
Feb.	7.2	0.8	8.1	6.3	1.7	-2.8	4.5
March	7.0	0.8	7.9	6.1	1.6	-2.8	4.5
April p	7.0	0.3	7.3	6.1	1.1	-2.8	4.0
May p	7.8	1.1	9.0	6.2	2.6	1.9	0.7

Note: The following relationships hold approximately:

column (1) + column (2) = column (3)
column (3) - column (4) = column (5)
column (5) - column (6) = column (7)

p = preliminary
1/ Effect of the change in average social security and federal income tax rates for a worker with 3 dependents who earned the average weekly earnings.
2/ Worker with 3 dependents who earned the average weekly earnings.
3/ Less than 0.05.

*The Hourly Earnings Index in dollars of constant purchasing power increased 0.1 percent from April. Compared with a year ago, the index was up 1.4 percent. (See tables 2 and 3.) The index excludes the effects of overtime in manufacturing and of interindustry shifts, such as the shift of workers between high-wage and low-wage industries.

Spendable earnings are calculated by taking the average weekly pay for all production or nonsupervisory jobs, both full-time and part-time, and then deducting social security and Federal income taxes applicable to a single worker or to a worker with three dependents who made this amount.

Real spendable earnings, or purchasing power, represents the buying power of the spendable earnings of a worker earning the average pay and with the applicable deductions, after allowance for price changes from the 1967 base period, that is, adjustment by the Consumer Price Index.

The earnings series from which spendable and real spendable earnings are derived—gross average weekly earnings—is an arithmetic average of the earnings of all production or nonsupervisory jobs, including part-time jobs. Therefore, it is less than the average weekly earnings of full-time wage earners. It should be noted that the series on spendable earnings represents only the average earnings for those rank-and-file workers whose weekly pay approximates the averages indicated. The actual earnings level of workers with three dependents tends to be higher than the average figures given above, since workers with three dependents are generally older and more experienced and thus likely to command higher hourly wage rates and work more hours. Month-to-month and year-to-year changes in actual spendable earnings for this worker might also differ from the average estimates presented in this release.

The hourly earnings index is designed to measure underlying wage movements for production or nonsupervisory workers in the private nonfarm economy. It is adjusted to exclude the effects of two types of changes that are not related to underlying wage rate developments: overtime in manufacturing (the only sector for which overtime data are available) and interindustry employment shifts, such as shifts of workers between high-wage and low-wage industries.

Seasonally adjusted data are preferred by some users for analyzing general earnings trends in the economy since they eliminate the effect of changes that normally occur at the same time and in about the same magnitude each year and, therefore, reveal the underlying cyclical trends. These changes in average earnings may be due to seasonal changes in the proportion of workers in high-wage and low-wage industries or occupations, or to seasonal changes in the amount of overtime work, and so on. The seasonally adjusted data are presented in table 2.

For a comprehensive discussion of the spendable earnings series and hourly earnings index, and their relation to other wage data, see the following articles: Jack Alterman, "Compensation per Man-Hour and Take Home Pay," *Monthly Labor Review,* June 1971; Thomas Gavett, "Measures of Change in Real Wages and Earnings," *Monthly Labor Review,* February 1972; Norman Samuels, "Developing a General Wage Index, *Monthly Labor Review,* March 1971; Paul Schwab, "Two Measures of Purchasing Power Contrasted," *Monthly Labor Review,* April 1971; and Eric Dmytrow and Janet Grimes, "Changes in the Spendable Earnings Series for 1976: Effects of the Tax Adjustment Act of 1975 and the Social Security Tax Base Change," Employment and Earnings, March 1976.

The Bureau of Labor Statistics also publishes a set of series on annual after-tax earnings which are derived from the Current Population Survey. These data reflect the actual annual earnings of heads of households with various sizes and compositions. They are discussed in detail by Paul M. Ryscavage in the article, "Annual Earnings of Household Heads," *Monthly Labor Review,* August 1975. Current data are in the press release "Real After Tax Annual Earnings of Household Heads in Production and Nonsupervisory Jobs, 1974."

Table 1. Earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

Industry	Gross average hourly earnings			Hourly earnings index [1] (1967 = 100)			Gross average weekly earnings			Spendable average weekly earnings [2]					
										Worker with three dependents			Worker with no dependents		
	May 1975	Apr. 1976p	May 1976p	May 1975	Apr. 1976p	May 1976p	May 1975	Apr. 1976p	May 1976p	May 1975	Apr. 1976p	May 1976p	May 1975	Apr. 1976p	May 1976p
TOTAL PRIVATE: [3]															
Current dollars	$4.48	$4.77	$4.83	170.6	182.3	183.6	$160.38	$170.77	$174.85	$145.37	$152.27	$155.42	$131.25	$139.92	$142.86
1967 dollars	2.81	2.84	2.85	107.1	108.4	108.5	100.68	101.53	103.34	91.26	90.53	91.86	82.39	83.19	84.43
Mining:															
Current dollars	5.81	6.30	6.37	180.5	195.7	197.6	247.51	265.23	271.36	210.91	224.01	228.75	193.74	208.65	213.03
1967 dollars	3.65	3.75	3.76	113.3	116.4	116.8	155.37	157.69	160.38	132.40	133.18	135.20	121.62	124.05	125.90
Contract construction:															
Current dollars	7.12	7.52	7.60	172.9	181.7	184.3	262.73	278.99	284.24	222.67	234.57	238.54	204.76	218.48	222.24
1967 dollars	4.47	4.47	4.49	108.5	108.0	108.9	164.93	165.87	167.99	139.78	139.46	140.98	128.54	129.89	131.35
Manufacturing:															
Current dollars	4.75	5.07	5.13	169.7	181.8	182.4	185.25	198.74	206.74	164.12	173.37	179.39	148.38	160.10	165.90
1967 dollars	2.98	3.01	3.03	106.5	108.1	107.8	116.29	118.16	122.19	103.03	103.07	106.02	93.15	95.18	98.05
Transportation and public utilities:															
Current dollars	5.78	6.33	6.38	178.4	195.2	196.8	226.00	249.40	252.65	194.17	211.78	214.27	177.97	197.34	199.66
1967 dollars	3.63	3.76	3.77	112.0	116.1	116.3	141.87	148.28	149.32	121.89	125.91	126.64	111.72	117.32	118.00
Wholesale and retail trade:															
Current dollars	3.72	3.92	3.94	166.8	176.0	177.1	124.99	131.71	132.38	117.68	124.00	124.52	105.28	110.82	111.32
1967 dollars	2.34	2.33	2.33	104.7	104.6	104.7	78.46	78.31	78.24	73.87	73.72	73.59	66.09	65.89	65.79
Finance, insurance, and real estate:															
Current dollars	4.11	4.35	4.41	160.4	168.4	172.3	149.19	158.78	161.85	137.37	143.02	145.39	122.98	131.16	133.47
1967 dollars	2.58	2.59	2.61	100.7	100.1	101.8	93.65	94.40	95.66	86.23	85.03	85.93	77.20	77.98	78.88
Services:															
Current dollars	4.01	4.30	4.34	173.7	186.2	188.5	134.74	143.19	144.52	126.86	131.92	132.83	112.41	119.45	120.45
1967 dollars	2.52	2.56	2.57	109.0	110.7	111.4	84.58	85.13	85.41	79.64	78.43	78.50	70.56	71.02	71.19

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[1] Adjusted for overtime (manufacturing only) and interindustry employment shifts.

[2] Spendable earnings are calculated by deducting social security and Federal income taxes applicable to the gross average weekly earnings of all production or nonsupervisory workers. A technical note on the calculation and uses of the spendable earnings series is available on request.

[3] Data relate to production workers in mining and manufacturing; construction workers in contract construction; and nonsupervisory workers in transportation and public utilities, trade, finance, insurance, and real estate, and services. Included in this group are approximately four-fifths of all workers on private industry payrolls.

p=preliminary.

Table 2 Earnings of production or nonsupervisory workers on total private nonagricultural payrolls, seasonally adjusted

Series	1975								1976				
	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.[p]	May[p]
Gross average hourly earnings:													
Current dollars	$4.49	$4.51	$4.54	$4.57	$4.60	$4.63	$4.68	$4.68	$4.73	$4.75	$4.77	$4.78	$4.84
1967 dollars	2.82	2.81	2.80	2.81	2.81	2.81	2.83	2.81	2.83	2.84	2.85	2.84	2.86
Hourly earnings index[1] (1967=100):													
Current dollars	170.6	172.2	173.1	174.6	175.2	176.7	178.2	178.6	179.6	180.8	181.4	182.3	183.6
1967 dollars	107.0	107.2	106.7	107.3	107.2	107.4	[r]107.6	107.3	107.5	108.1	108.2	108.3	108.5
Gross average weekly earnings:													
Current dollars	$161.19	$162.36	$163.44	$165.43	$166.06	$167.61	$169.88	$170.35	$172.65	$172.90	$172.67	$172.08	$175.69
1967 dollars	101.06	101.10	100.76	101.62	101.57	101.89	102.65	102.37	103.32	103.35	103.03	102.25	103.77
Spendable average weekly earnings[2]:													
Current dollars	146.00	146.91	147.76	149.31	149.81	151.02	152.76	153.12	153.72	153.91	153.73	153.28	156.05
1967 dollars	91.54	91.48	91.10	91.71	91.63	91.81	92.30	92.02	91.99	92.00	91.72	91.08	92.17

[1] See footnote 1, table 1.

[2] Calculated for workers with 3 dependents who earned the average weekly earnings.

p = preliminary.

r=revised.

Table 3. Percentage change[1] over the year in earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

May 1975 — May 1976

Industry	Hourly earnings index [2] (1967 = 100)		Gross average weekly earnings		Spendable average weekly earnings [3]			
					Worker with three dependents		Worker with no dependents	
	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars
TOTAL PRIVATE	7.7	1.4	9.0	2.6	6.9	0.7	8.8	2.5
Mining	9.5	3.1	9.6	3.2	8.5	2.1	10.0	3.5
Contract construction	6.6	0.4	8.2	1.9	7.1	0.9	8.5	2.2
Manufacturing	7.5	1.3	11.6	5.1	9.3	2.9	11.8	5.3
Transportation and public utilities	10.3	4.0	11.8	5.3	10.4	3.9	12.2	5.6
Wholesale and retail trade	6.2	0.1	5.9	-0.3	5.8	-0.4	5.7	-0.5
Finance, insurance, and real estate	7.4	1.2	8.5	2.1	5.8	-0.3	8.5	2.2
Services	8.5	2.2	7.3	1.0	4.7	-1.4	7.2	0.9

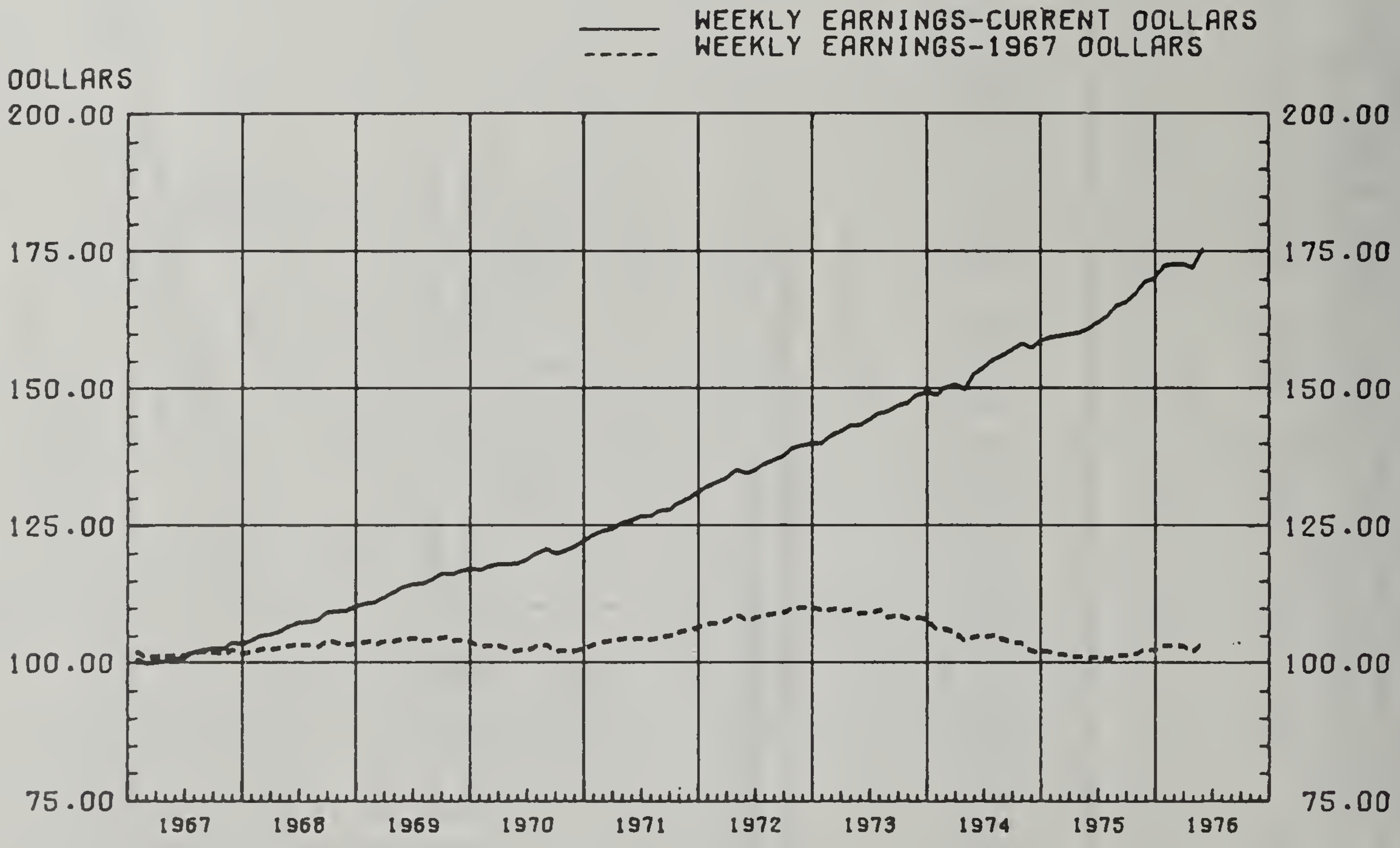
NOTE: Percentage change over the year in the Consumer Price Index (all items, 1967 = 100) 6.2

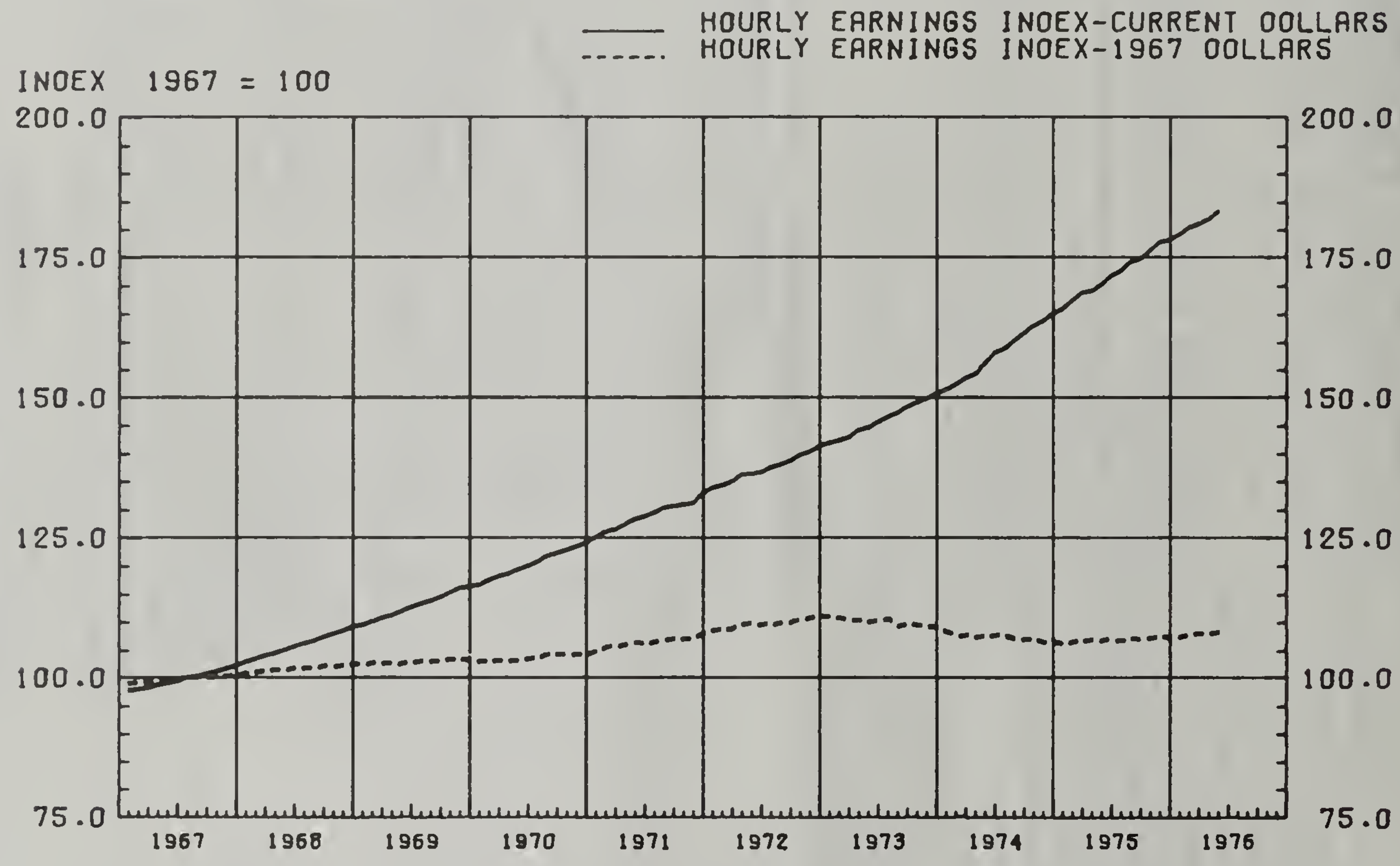
[1] Based on preliminary data for the current month. Hourly earnings index changes are based on seasonally adjusted data. Gross and weekly changes are based on data that are not seasonally adjusted.

[2] See footnote 1, table 1.

[3] Calculated for workers who earned the average weekly earnings.

PRIVATE NONFARM AVERAGE EARNINGS
SEASONALLY ADJUSTED





NOTE Data for two most recent months are preliminary

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USDL-76-1247
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REAL EARNINGS IN AUGUST 1976

Preliminary real earnings figures for August--covering full-time and part-time workers on production or nonsupervisory jobs in the private nonfarm sector of the American economy--were released today by the Bureau of Labor Statistics of the U.S. Department of Labor. (Real earnings--or earnings in constant dollars--are calculated by adjusting earnings in current dollars for changes in the Consumer Price Index.)

*Real gross average weekly earnings decreased 0.3 percent from July to August after allowance for the usual seasonal variation. This was due to a 0.5 percent increase in the Consumer Price Index which more than offset a 0.2 percent increase in average hourly earnings as average weekly hours were unchanged. (See table A.)

Over the year, real average weekly earnings were up 1.1 percent. Average hourly earnings increased 6.8 percent counteracting a 5.6 percent rise in the Consumer Price Index. (Before adjustment for the increase in the Consumer Price Index and for seasonal change, average weekly earnings were $178.24 in August, compared with $166.90 a year earlier. See table 1.)

*Real spendable earnings--average real weekly pay of all workers reduced by Social Security and Federal income tax rates applicable to a married worker with three dependents who earned the average amount--decreased 0.3 percent from the July level, seasonally adjusted. This decrease was due to the decline in real gross average weekly earnings.

Over the year, real spendable earnings were down 0.6 percent as an increase in the tax effect more than offset a 1.1 percent increase in real gross average weekly earnings.

Table A. Composition of change in real earnings (production or nonsupervisory workers on private nonfarm payrolls)

Month	(1) Average hourly earnings	(2) Average weekly hours	(3) Average weekly earnings	(4) Consumer price index	(5) Real average weekly earnings	(6) Average tax effect 1/	(7) Real spendable earnings 2/
	Percent change from preceding month, seasonally adjusted						
1975							
Aug.	0.7	0.6	1.2	0.4	0.9	0.2	0.7
Sept.	0.7	-0.3	0.4	0.4	3/	3/	-0.1
Oct.	0.7	0.3	0.9	0.6	0.3	0.1	0.2
Nov.	1.1	0.3	1.4	0.6	0.7	0.2	0.5
Dec.	0.0	0.3	0.3	0.5	-0.3	3/	-0.3
1976							
Jan.	1.1	0.3	1.4	0.4	0.9	0.9	3/
Feb.	0.4	-0.3	0.1	0.1	3/	3/	3/
March	0.4	-0.5	-0.1	0.2	-0.3	3/	-0.3
April	0.2	-0.3	-0.1	0.4	-0.5	3/	-0.5
May	1.0	0.3	1.3	0.6	0.7	0.2	0.5
June	0.2	-0.3	-0.1	0.5	-0.5	3/	-0.5
July p	0.6	0.3	0.9	0.5	0.4	0.1	0.3
Aug. p	0.2	0.0	0.2	0.5	-0.3	3/	-0.3
	Percent change from same month a year ago						
1975							
Aug.	7.0	-1.1	5.9	8.6	-2.5	-4.0	1.3
Sept.	6.7	-1.1	5.5	7.8	-2.2	-4.0	1.6
Oct.	6.6	-0.8	5.8	7.6	-1.7	-3.9	2.1
Nov.	7.3	0.3	7.6	7.3	0.3	-3.6	3.9
Dec.	6.8	0.3	7.1	7.0	0.1	-3.6	3.8
1976							
Jan.	7.3	0.8	8.2	6.8	1.3	-2.8	4.1
Feb.	7.2	0.8	8.1	6.3	1.7	-2.8	4.5
March	7.0	0.8	7.9	6.1	1.6	-2.8	4.5
April	7.0	0.6	7.5	6.1	1.4	-2.8	4.3
May	7.6	0.8	8.5	6.2	2.1	1.9	0.2
June	7.3	0.3	7.6	5.9	1.6	1.8	-0.2
July p	7.3	0.5	7.9	5.4	2.3	1.8	0.5
Aug. p	6.8	0.0	6.8	5.6	1.1	1.7	-0.6

Note: The following relationships hold approximately:

column (1) + column (2) = column (3)
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1/ Effect of the change in average social security and federal income tax rates for a worker with 3 dependents who earned the average weekly earnings.

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*The Hourly Earnings Index in dollars of constant purchasing power decreased 0.1 percent from July. Compared with a year ago, the index was up 1.2 percent. (See tables 2 and 3.) The index excludes the effects of overtime in manufacturing and of interindustry shifts, such as the shift of workers between high-wage and low-wage industries.

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For a comprehensive discussion of the spendable earnings series and hourly earnings index, and their relation to other wage data, see the following articles: Jack Alterman, "Compensation per Man-Hour and Take Home Pay," *Monthly Labor Review,* June 1971; Thomas Gavett, "Measures of Change in Real Wages and Earnings," *Monthly Labor Review,* February 1972; Norman Samuels, "Developing a General Wage Index,' *Monthly Labor Review,* March 1971; Paul Schwab, "Two Measures of Purchasing Power Contrasted," *Monthly Labor Review,* April 1971; and Eric Dmytrow and Janet Grimes, "Changes in the Spendable Earnings Series for 1976: Effects of the Tax Adjustment Act of 1975 and the Social Security Tax Base Change," Employment and Earnings, March 1976.

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Table 1. Earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

Industry	Gross average hourly earnings			Hourly earnings index [1] (1967 = 100)			Gross average weekly earnings			Spendable average weekly earnings [2]					
										Worker with three dependents			Worker with no dependents		
	Aug. 1975	July 1976p	Aug. 1976p	Aug. 1975	July 1976p	Aug. 1976p	Aug. 1975	July 1976p	Aug. 1976p	Aug. 1975	July 1976p	Aug. 1976p	Aug. 1975	July 1976p	Aug. 1976p
TOTAL PRIVATE: [3]															
Current dollars	$4.56	$4.86	$4.87	174.1	185.3	185.9	$166.90	$177.88	$178.24	$150.47	$157.70	$157.97	$135.84	$145.05	$145.31
1967 dollars	2.80	2.84	2.83	106.9	108.3	108.2	102.52	103.96	103.69	92.43	92.17	91.90	83.44	84.77	84.53
Mining:															
Current dollars	5.92	6.37	6.21	185.0	198.5	200.9	248.64	273.91	248.40	211.79	230.72	211.01	194.55	214.85	196.62
1967 dollars	3.64	3.72	3.61	113.7	116.0	116.9	152.73	160.09	144.50	130.09	134.85	122.75	119.50	125.57	114.38
Contract construction:															
Current dollars	7.27	7.68	7.70	177.0	187.2	187.3	274.81	291.07	292.60	232.24	243.71	244.87	213.87	227.00	228.00
1967 dollars	4.47	4.49	4.48	108.7	109.4	108.9	168.80	170.12	170.22	142.65	142.44	142.45	131.37	132.67	132.64
Manufacturing:															
Current dollars	4.82	5.19	5.20	172.8	184.7	185.7	191.35	207.60	207.48	168.62	180.03	179.94	152.55	166.55	166.46
1967 dollars	2.96	3.03	3.03	106.1	107.9	108.1	117.54	121.33	120.70	103.57	105.22	104.68	93.70	97.34	96.84
Transportation and public utilities:															
Current dollars	6.05	6.45	6.49	186.0	198.7	199.8	241.40	259.94	260.90	206.12	219.91	220.66	189.26	204.87	205.56
1967 dollars	3.72	3.77	3.78	114.2	116.1	116.2	148.28	151.92	151.77	126.61	128.53	128.37	116.25	119.74	119.58
Wholesale and retail trade:															
Current dollars	3.76	3.97	3.96	170.0	178.8	178.4	130.10	136.97	136.62	122.49	127.69	127.45	109.02	114.77	114.51
1967 dollars	2.31	2.32	2.30	104.4	104.5	103.8	79.91	80.05	79.48	75.24	74.63	74.14	66.97	67.08	66.61
Finance, insurance, and real estate:															
Current dollars	4.15	4.36	4.40	162.1	170.6	172.3	151.06	160.01	162.80	138.56	143.97	146.12	124.35	132.09	134.17
1967 dollars	2.55	2.55	2.56	99.5	99.7	100.2	92.79	93.52	94.71	85.11	84.14	85.00	76.38	77.20	78.05
Services:															
Current dollars	4.03	4.32	4.35	176.1	189.2	190.1	138.23	146.88	147.47	130.14	134.44	134.84	114.97	122.22	122.66
1967 dollars	2.48	2.52	2.53	108.2	110.6	110.6	84.91	85.84	85.79	79.94	78.57	78.44	70.62	71.43	71.36

[1] Adjusted for overtime (manufacturing only) and interindustry employment shifts.

[2] Spendable earnings are calculated by deducting social security and Federal income taxes applicable to the gross average weekly earnings of all production or nonsupervisory workers. A technical note on the calculation and uses of the spendable earnings series is available on request.

[3] Data relate to production workers in mining and manufacturing; construction workers in contract construction; and nonsupervisory workers in transportation and public utilities, trade, finance, insurance, and real estate, and services. Included in this group are approximately four-fifths of all workers on private industry payrolls.

p=preliminary.

Table 2. Earnings of production or nonsupervisory workers on total private nonagricultural payrolls, seasonally adjusted

Series	1975					1976							
	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July^p	Aug.^p
Gross average hourly earnings:													
Current dollars	$4.57	$4.60	$4.63	$4.68	$4.68	$4.73	$4.75	$4.77	$4.78	$4.83	$4.84	$4.87	$4.88
1967 dollars	2.81	2.81	2.81	2.83	2.81	2.83	2.84	2.85	2.84	2.85	2.85	2.85	2.84
Hourly earnings index[1] (1967=100):													
Current dollars	174.6	175.2	176.7	178.2	178.6	179.6	180.8	181.4	182.2	183.7	184.5	185.6	186.5
1967 dollars	107.3	107.2	107.4	107.6	107.3	107.5	108.1	108.2	108.3	108.5	108.5	108.6	108.6
Gross average weekly earnings:													
Current dollars	$165.43	$166.06	$167.61	$169.88	$170.35	$172.65	$172.90	$172.67	$172.56	$174.85	$174.72	$176.29	$176.66
1967 dollars	101.62	101.57	101.89	102.65	102.37	103.32	103.35	103.03	102.53	103.28	102.72	103.15	102.83
Spendable average weekly earnings[2]:													
Current dollars	149.31	149.81	151.02	152.76	153.12	153.72	153.91	153.73	153.65	155.42	155.32	156.50	156.78
1967 dollars	91.71	91.63	91.81	92.30	92.02	91.99	92.00	91.72	91.30	91.80	91.31	91.57	91.26

[1] See footnote 1, table 1.

[2] Calculated for workers with 3 dependents who earned the average weekly earnings.

p = preliminary.

Table 3. Percentage change[1] over the year in earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division
August 1975 — August 1976

Industry	Hourly earnings index [2] (1967 = 100)		Gross average weekly earnings		Spendable average weekly earnings [3]			
					Worker with three dependents		Worker with no dependents	
	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars
TOTAL PRIVATE	6.8	1.2	6.8	1.1	5.0	-.6	7.0	1.3
Mining	8.6	2.9	-1.0	-5.4	-.4	-5.6	1.1	-4.3
Contract construction	5.8	.3	6.5	.8	5.4	-.1	6.6	1.8
Manufacturing	7.5	1.9	8.4	2.7	6.7	1.1	9.1	3.4
Transportation and public utilities	7.4	1.8	8.1	2.4	7.1	1.4	8.6	2.9
Wholesale and retail trade	4.9	-.6	5.0	-.5	4.0	-1.5	5.0	-.5
Finance, insurance, and real estate	6.3	.7	7.8	2.1	5.5	-.1	7.9	2.2
Services	7.9	2.3	6.7	1.0	3.6	-1.9	6.7	1.0

NOTE: Percentage change over the year in the Consumer Price Index (all items, 1967 = 100) 5.6

[1] Based on preliminary data for the current month. Hourly earnings index changes are based on seasonally adjusted data. Gross and weekly changes are based on data that are not seasonally adjusted.

[2] See footnote 1, table 1.

[3] Calculated for workers who earned the average weekly earnings.

PRIVATE NONFARM AVERAGE EARNINGS
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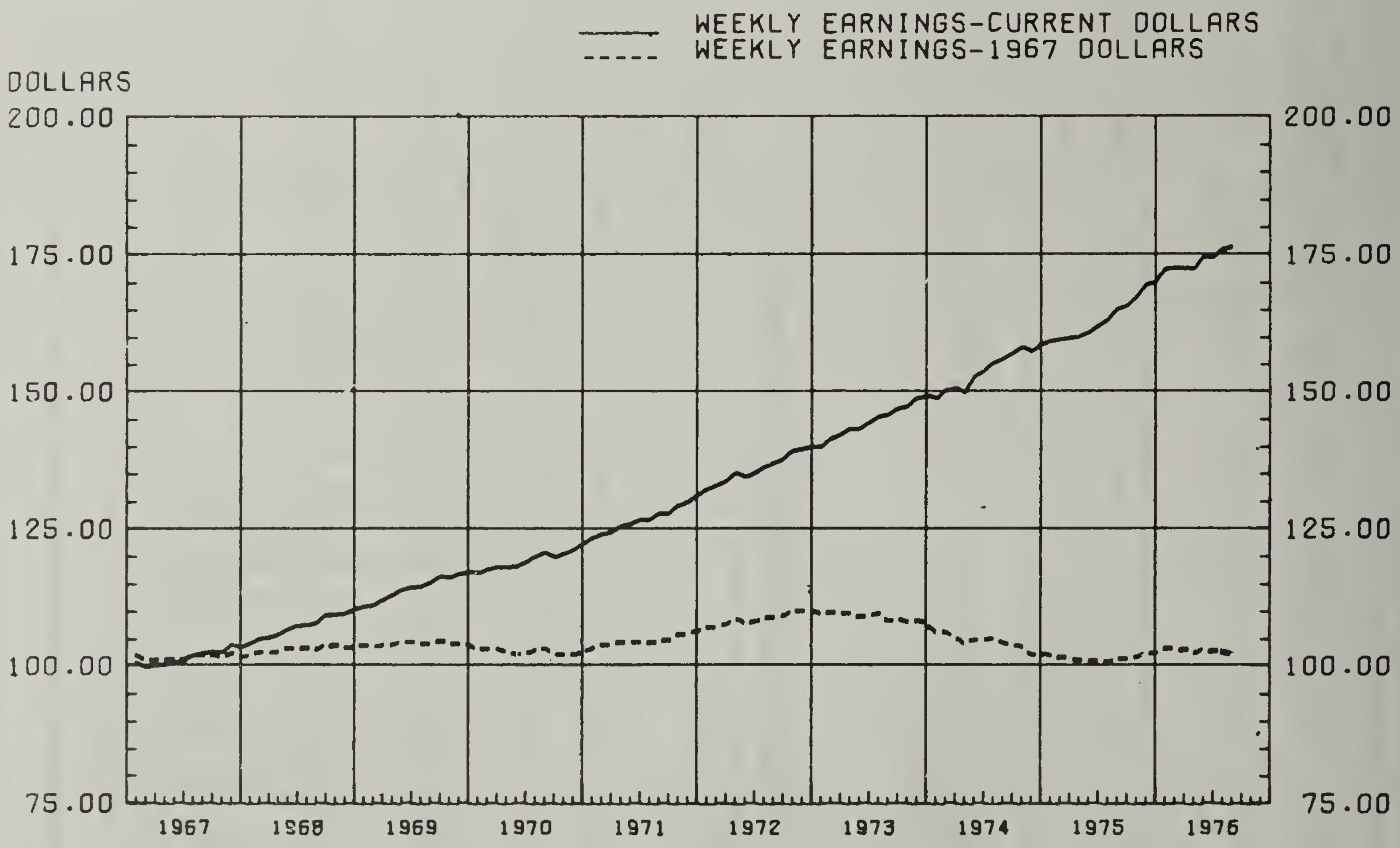

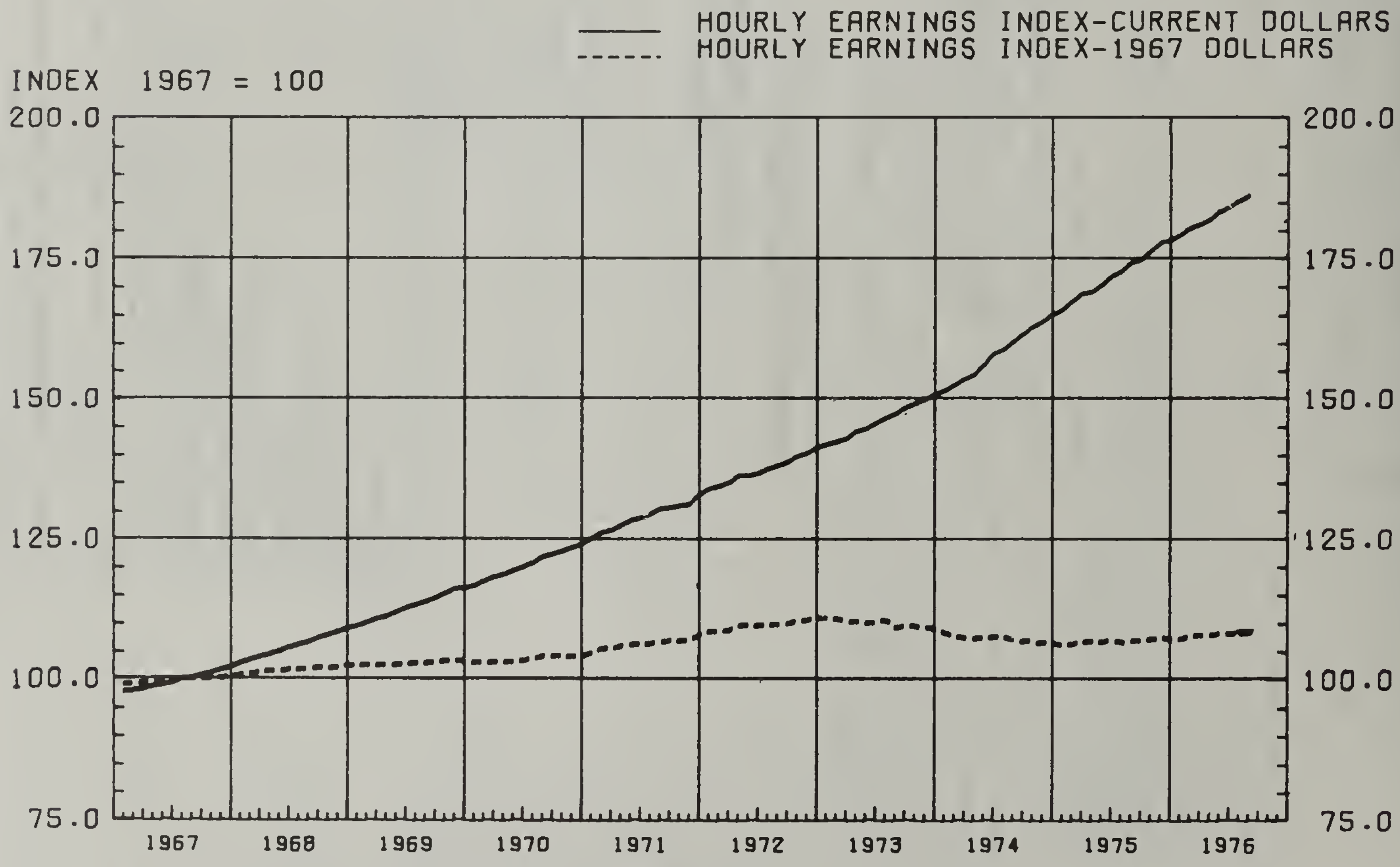

NOTE: Data for two most recent months are preliminary.

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REAL EARNINGS IN OCTOBER 1976

Preliminary real earnings figures for October--covering full-time and part-time workers on production or nonsupervisory jobs in the private nonfarm sector of the American economy--were released today by the Bureau of Labor Statistics of the U.S. Department of Labor. (Real earnings--or earnings in constant dollars--are calculated by adjusting earnings in current dollars for changes in the Consumer Price Index.)

*Real gross average weekly earnings increased 0.6 percent from September to October after allowance for the usual seasonal variation. This was due to a 0.4 percent increase in average hourly earnings and a 0.6 percent increase in average weekly hours which offset a 0.3 percent increase in the Consumer Price Index. (See table A.)

Over the year, real average weekly earnings were up 1.3 percent. Average hourly earnings increased 6.7 percent counteracting a 5.3 percent rise in the Consumer Price Index. (Before adjustment for the increase in the Consumer Price Index and for seasonal change, average weekly earnings were $179.91 in October, compared with $168.69 a year earlier. See table 1.)

*Real spendable earnings--average real weekly pay of all workers reduced by Social Security and Federal income tax rates applicable to a married worker with three dependents who earned the average amount--increased 0.5 percent from the September level, seasonally adjusted. This increase was due to the rise in real gross average weekly earnings.

Over the year, real spendable earnings were down 0.4 percent as an increase in the tax effect more than offset a 1.3 percent increase in real gross average weekly earnings. (Because of the manner in which the 1975 tax cut was concentrated

Table A. Composition of change in real earnings (production or nonsupervisory workers on private nonfarm payrolls)

Month	(1) Average hourly earnings	(2) Average weekly hours	(3) Average weekly earnings	(4) Consumer price index	(5) Real average weekly earnings	(6) Average tax effect 1/	(7) Real spendable earnings 2/
	Percent change from preceding month, seasonally adjusted						
1975							
Oct.	0.7	0.3	0.9	0.6	0.3	0.1	0.2
Nov.	1.1	0.3	1.4	0.6	0.7	0.2	0.5
Dec.	0.0	0.3	0.3	0.5	-0.3	3/	-0.3
1976							
Jan.	1.1	0.3	1.4	0.4	0.9	0.9	3/
Feb.	0.4	-0.3	0.1	0.1	3/	3/	3/
March	0.4	-0.5	-0.1	0.2	-0.3	3/	-0.3
April	0.2	-0.3	-0.1	0.4	-0.5	3/	-0.5
May	1.0	0.3	1.3	0.6	0.7	0.2	0.5
June	0.2	-0.3	-0.1	0.5	-0.5	3/	-0.5
July	0.6	0.3	0.9	0.5	0.4	0.1	0.3
Aug.	0.4	0.0	0.4	0.5	-0.1	0.1	-0.2
Sept. p	0.6	-0.6	0.1	0.4	-0.3	3/	-0.4
Oct. p	0.4	0.6	1.0	0.3	0.6	0.1	0.5
	Percent change from same month a year ago						
1975							
Oct.	6.6	-0.8	5.8	7.6	-1.7	-3.9	2.1
Nov.	7.3	0.3	7.6	7.3	0.3	-3.6	3.9
Dec.	6.8	0.3	7.1	7.0	0.1	-3.6	3.8
1976							
Jan.	7.3	0.8	8.2	6.8	1.3	-2.8	4.1
Feb.	7.2	0.8	8.1	6.3	1.7	-2.8	4.5
March	7.0	0.8	7.9	6.1	1.6	-2.8	4.5
April	7.0	0.6	7.5	6.1	1.4	-2.8	4.3
May	7.6	0.8	8.5	6.2	2.1	1.9	0.2
June	7.3	0.3	7.6	5.9	1.6	1.8	-0.2
July	7.3	0.5	7.9	5.4	2.3	1.8	0.5
Aug.	7.0	0.0	7.0	5.6	1.3	1.7	-0.4
Sept. p	6.9	-0.3	6.6	5.5	1.0	1.7	-0.7
Oct. p	6.7	0.0	6.7	5.3	1.3	1.7	-0.4

Note: The following relationships hold approximately:
column (1) + column (2) = column (3)
column (3) - column (4) = column (5)
column (5) - column (6) = column (7)

p = preliminary

1/ Effect of the change in average social security and federal income tax rates for a worker with 3 dependents who earned the average weekly earnings. The data for spendable earnings for the eight month period May-December 1975 are calculated from formulas which reflect the full amount of the tax reductions for the entire year 1975. To compare tax liabilities over the year, these series should be calculated using annual average formulas which reflect the tax reduction impact spread over the entire twelve month period.

2/ Workers with 3 dependents who earned the average weekly earnings.

3/ Less than 0.05.

in the last 8 months of the year, over the year comparisons of real spendable earnings are affected. See footnote 2, table 1.)

*The Hourly Earnings Index in dollars of constant purchasing power increased 0.2 percent from September. Compared with a year ago, the index was up 1.4 percent. (See tables 2 and 3.) The index excludes the effects of overtime in manufacturing and of interindustry shifts, such as the shift of workers between high-wage and low-wage industries.

Spendable earnings are calculated by taking the average weekly pay for all production or nonsupervisory jobs, both full-time and part-time, and then deducting social security and Federal income taxes applicable to a single worker or to a worker with three dependents who made this amount.

Real spendable earnings, or purchasing power, represents the buying power of the spendable earnings of a worker earning the average pay and with the applicable deductions, after allowance for price changes from the 1967 base period, that is, adjustment by the Consumer Price Index.

The earnings series from which spendable and real spendable earnings are derived—gross average weekly earnings—is an arithmetic average of the earnings of all production or nonsupervisory jobs, including part-time jobs. Therefore, it is less than the average weekly earnings of full-time wage earners. It should be noted that the series on spendable earnings represents only the average earnings for those rank-and-file workers whose weekly pay approximates the averages indicated. The actual earnings level of workers with three dependents tends to be higher than the average figures given above, since workers with three dependents are generally older and more experienced and thus likely to command higher hourly wage rates and work more hours. Month-to-month and year-to-year changes in actual spendable earnings for this worker might also differ from the average estimates presented in this release.

The hourly earnings index is designed to measure underlying wage movements for production or nonsupervisory workers in the private nonfarm economy. It is adjusted to exclude the effects of two types of changes that are not related to underlying wage rate developments: overtime in manufacturing (the only sector for which overtime data are available) and interindustry employment shifts, such as shifts of workers between high-wage and low-wage industries

Seasonally adjusted data are preferred by some users for analyzing general earnings trends in the economy since they eliminate the effect of changes that normally occur at the same time and in about the same magnitude each year and, therefore, reveal the underlying cyclical trends. These changes in average earnings may be due to seasonal changes in the proportion of workers in high-wage and low-wage industries or occupations, or to seasonal changes in the amount of overtime work, and so on. The seasonally adjusted data are presented in table 2.

For a comprehensive discussion of the spendable earnings series and hourly earnings index, and their relation to other wage data, see the following articles: Jack Alterman, "Compensation per Man-Hour and Take Home Pay," *Monthly Labor Review,* June 1971; Thomas Gavett, "Measures of Change in Real Wages and Earnings," *Monthly Labor Review,* February 1972; Norman Samuels, "Developing a General Wage Index," *Monthly Labor Review,* March 1971; Paul Schwab, "Two Measures of Purchasing Power Contrasted," *Monthly Labor Review,* April 1971; and Eric Dmytrow and Janet Grimes, "Changes in the Spendable Earnings Series for 1976: Effects of the Tax Adjustment Act of 1975 and the Social Security Tax Base Change," Employment and Earnings, March 1976.

The Bureau of Labor Statistics also publishes a set of series on annual after-tax earnings which are derived from the Current Population Survey. These data reflect the actual annual earnings of heads of households with various sizes and compositions. They are discussed in detail by Paul M. Ryscavage in the article, "Annual Earnings of Household Heads," *Monthly Labor Review,* August 1975. Current data are in the press release "Real After Tax Annual Earnings of Household Heads in Production and Nonsupervisory Jobs, 1974."

Table 1. Earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

Industry	Gross average hourly earnings			Hourly earnings index [1] (1967 = 100)			Gross average weekly earnings			Spendable average weekly earnings [2]					
										Worker with three dependents			Worker with no dependents		
	Oct. 1975	Sept. 1976p	Oct. 1976p	Oct. 1975	Sept. 1976p	Oct. 1976p	Oct. 1975	Sept. 1976p	Oct. 1976p	Oct. 1975	Sept. 1976p	Oct. 1976p	Oct. 1975	Sept. 1976p	Oct. 1976p
TOTAL PRIVATE: [3]															
Current dollars	$4.66	$4.96	$4.97	176.9	188.4	188.8	$168.69	$179.55	$179.91	$151.85	$158.95	$159.22	$137.06	$146.26	$146.52
1967 dollars	2.83	2.87	2.87	107.5	109.2	108.9	102.48	104.03	103.81	92.25	92.09	91.88	83.27	84.74	84.55
Mining:															
Current dollars	6.02	6.55	6.57	187.6	204.3	205.8	259.46	284.27	286.45	220.14	238.57	240.22	202.35	222.26	223.82
1967 dollars	3.66	3.79	3.79	114.0	118.3	118.7	157.63	164.70	165.29	133.74	138.22	138.62	122.93	128.77	129.15
Contract construction:															
Current dollars	7.42	7.81	7.84	180.6	190.0	190.6	278.25	287.41	298.70	235.11	240.94	249.75	216.48	224.50	232.24
1967 dollars	4.51	4.52	4.52	109.7	110.1	110.0	169.05	166.52	172.36	142.84	139.59	144.11	131.52	130.07	134.01
Manufacturing:															
Current dollars	4.90	5.30	5.29	175.6	188.1	188.5	195.51	212.53	211.07	171.69	183.74	182.64	155.56	170.24	169.14
1967 dollars	2.98	3.07	3.05	106.7	109.0	108.8	118.78	123.13	121.79	104.31	106.45	105.39	94.51	98.63	97.60
Transportation and public utilities:															
Current dollars	6.14	6.61	6.62	189.7	203.8	204.4	244.99	265.72	266.12	208.93	224.38	224.69	191.90	209.00	209.29
1967 dollars	3.73	3.83	3.82	115.2	118.1	117.9	148.84	153.95	153.56	126.93	130.00	129.65	116.59	121.09	120.77
Wholesale and retail trade:															
Current dollars	3.82	4.03	4.03	171.9	180.8	180.9	128.73	135.41	134.60	121.20	126.62	126.06	108.02	113.60	112.99
1967 dollars	2.32	2.33	2.33	104.4	104.8	104.4	78.21	78.45	77.67	73.63	73.36	72.74	65.63	65.82	65.20
Finance, insurance, and real estate:															
Current dollars	4.17	4.40	4.41	163.2	172.0	172.3	151.79	161.04	161.41	139.02	144.76	145.05	124.88	132.86	133.14
1967 dollars	2.53	2.55	2.54	99.1	99.7	99.4	92.22	93.30	93.14	84.46	83.87	83.70	75.87	76.98	76.83
Services:															
Current dollars	4.16	4.43	4.46	179.4	192.4	192.6	139.78	147.96	148.96	131.38	135.17	135.86	116.10	123.03	123.78
1967 dollars	2.53	2.57	2.57	109.0	111.5	111.1	84.92	85.72	85.95	79.82	78.31	78.40	70.53	71.28	71.43

[1] Adjusted for overtime (manufacturing only) and interindustry employment shifts.

[2] Spendable earnings are calculated by deducting social security and Federal income taxes applicable to the gross average weekly earnings of all production or nonsupervisory workers. The data for spendable earnings for the eight month period May-December 1975 are calculated from formulas which reflect the full amount of the tax reduction for the entire year 1975. To compare tax liabilities over the year, these series should be calculated using annual average formulas which reflect the tax reduction impact spread over the entire twelve month period. A technical note on the calculation and uses of the spendable earnings series is available on request.

[3] Data relate to production workers in mining and manufacturing; construction workers in contract construction; and nonsupervisory workers in transporation and public utilities, trade, finance, insurance, and real estate, and services. Included in this group are approximately four-fifths of all workers on private industry payrolls.

p=preliminary.

Table 2 Earnings of production or nonsupervisory workers on total private nonagricultural payrolls, seasonally adjusted

Series	1975			1976									
	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.[p]	Oct.[p]
Gross average hourly earnings:													
Current dollars	$4.63	$4.68	$4.68	$4.73	$4.75	$4.77	$4.78	$4.83	$4.84	$4.87	$4.89	$4.92	$4.94
1967 dollars	2.81	2.83	2.81	2.83	2.84	2.85	2.84	2.85	2.85	2.85	2.85	2.85	2.85
Hourly earnings index[1] (1967=100):													
Current dollars	176.7	178.2	178.6	179.6	180.8	181.4	182.2	183.7	184.5	185.7	187.0	187.5	188.6
1967 dollars	107.4	107.6	107.3	107.5	108.1	108.2	108.3	108.5	108.5	108.7	108.9	108.7	108.9
Gross average weekly earnings:													
Current dollars	$167.61	$169.88	$170.35	$172.65	$172.90	$172.67	$172.56	$174.85	$174.72	$176.29	$177.02	$177.12	$178.83
1967 dollars	101.89	102.65	102.37	103.32	103.35	103.03	102.53	103.28	102.72	103.15	103.04	102.68	103.31
Spendable average weekly earnings[2]:													
Current dollars	151.02	152.76	153.12	153.72	153.91	153.73	153.65	155.42	155.32	156.50	157.05	157.13	158.41
1967 dollars	91.81	92.30	92.02	91.99	92.00	91.72	91.30	91.80	91.31	91.57	91.41	91.09	91.51

[1] See footnote 1, table 1.
[2] Calculated for workers with 3 dependents who earned the average weekly earnings. (See footnote 2, table 1)
p = preliminary.

Table 3. Percentage change[1] over the year in earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

October 1975 — October 1976

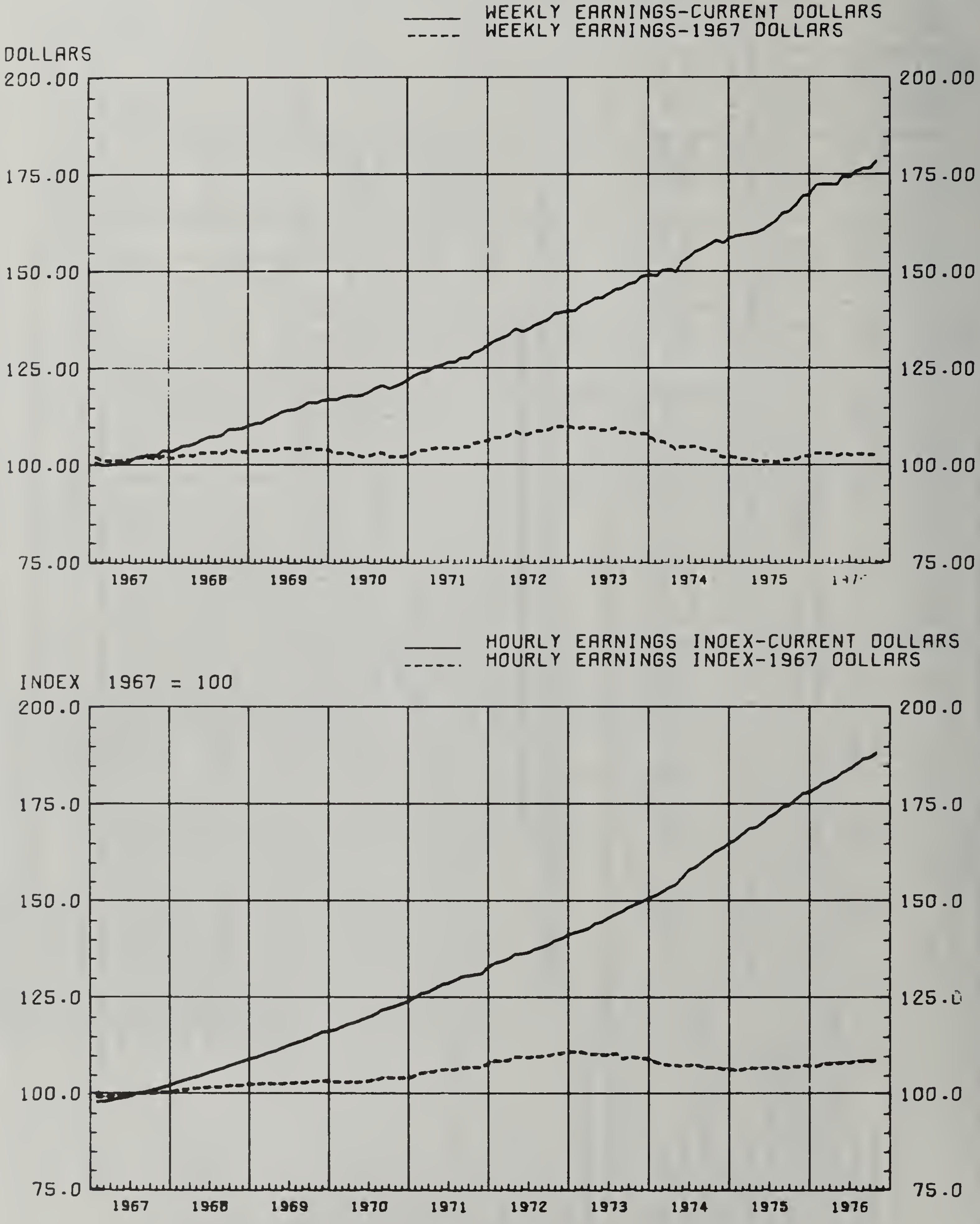
Industry	Hourly earnings index[2] (1967 = 100)		Gross average weekly earnings		Spendable average weekly earnings[3]			
					Worker with three dependents		Worker with no dependents	
	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars
TOTAL PRIVATE	6.7	1.4	6.7	1.3	4.9	-0.4	6.9	1.5
Mining	9.7	4.3	10.4	4.9	9.1	3.6	10.6	5.1
Contract construction	5.5	.3	7.3	2.0	6.2	.9	7.3	1.9
Manufacturing	7.3	1.9	8.0	2.5	6.4	1.0	8.7	3.3
Transportation and public utilities	7.7	2.4	8.6	3.2	7.5	2.1	9.1	3.6
Wholesale and retail trade	5.2	4/	4.6	-.7	4.0	-1.2	4.6	-.7
Finance, insurance, and real estate	5.6	.3	6.3	1.0	4.3	-.9	6.6	1.3
Services	7.3	2.0	6.6	1.2	3.4	-1.8	6.6	1.3

NOTE: Percentage change over the year in the Consumer Price Index (all items, 1967 = 100) 5.3

[1] Based on preliminary data for the current month. Hourly earnings index changes are based on seasonally adjusted data. Gross and weekly changes are based on data that are not seasonally adjusted.
[2] See footnote 1, table 1.
[3] Calculated for workers who earned the average weekly earnings. (See footnote 2, table 1)

4/ Less than 0.05 percent.

PRIVATE NONFARM AVERAGE EARNINGS
SEASONALLY ADJUSTED



NOTE: Data for two most recent months are preliminary.

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A.M. (E.S.T.), Tuesday, December 21, 1976

REAL EARNINGS IN NOVEMBER 1976

Preliminary real earnings figures for November--covering full-time and part-time workers on production or nonsupervisory jobs in the private nonfarm sector of the American economy--were released today by the Bureau of Labor Statistics of the U.S. Department of Labor. (Real earnings--or earnings in constant dollars--are calculated by adjusting earnings in current dollars for changes in the Consumer Price Index.)

*Real gross average weekly earnings increased 1.0 percent from October to November after allowance for the usual seasonal variation. This was due to a 1.0 percent increase in average hourly earnings and a 0.3 percent increase in average weekly hours which offset a 0.3 percent increase in the Consumer Price Index. (See table A.)

Over the year, real average weekly earnings were up 1.8 percent. Average hourly earnings increased 6.8 percent counteracting a 5.0 percent rise in the Consumer Price Index. (Before adjustment for the increase in the Consumer Price Index and for seasonal change, average weekly earnings were $181.00 in November, compared with $169.42 a year earlier. See table 1.)

*Real spendable earnings--average real weekly pay of all workers reduced by Social Security and Federal income tax rates applicable to a married worker with three dependents who earned the average amount--increased 0.8 percent from the October level, seasonally adjusted. This increase was due to the rise in real gross average weekly earnings.

Over the year, real spendable earnings were unchanged as an increase in the tax effect offset a 1.8 percent increase in real gross average weekly earnings.

Table A. Composition of change in real earnings (production or nonsupervisory workers on private nonfarm payrolls)

Month	(1) Average hourly earnings	(2) Average weekly hours	(3) Average weekly earnings	(4) Consumer price index	(5) Real average weekly earnings	(6) Average tax effect 1/	(7) Real spendable earnings 2/
	Percent change from preceding month, seasonally adjusted 4/						
1975							
Nov.	0.9	0.3	1.1	0.6	0.5	0.2	0.3
Dec.	0.2	0.3	0.5	0.5	-0.1	0.1	-0.1
1976							
Jan.	0.9	0.0	0.9	0.4	0.4	0.9	-0.5
Feb.	0.4	0.0	0.4	0.1	0.3	0.1	0.3
March	0.6	-0.5	0.1	0.2	-0.1	3/	-0.1
April	0.4	-0.3	0.1	0.4	-0.3	3/	-0.3
May	0.8	0.6	1.4	0.6	0.8	0.2	0.6
June	0.4	-0.3	0.1	0.5	-0.3	3/	-0.3
July	0.6	0.0	0.6	0.5	0.1	0.1	0.1
Aug.	0.4	-0.3	0.1	0.5	-0.4	3/	-0.4
Sept.	0.4	-0.3	0.1	0.4	-0.3	3/	-0.3
Oct. p	0.4	0.3	0.7	0.3	0.3	0.1	0.2
Nov. p	1.0	0.3	1.3	0.3	1.0	0.2	0.8
	Percent change from same month a year ago						
1975							
Nov.	7.3	0.3	7.6	7.3	0.3	-3.6	3.9
Dec.	6.8	0.3	7.1	7.0	0.1	-3.6	3.8
1976							
Jan.	7.3	0.8	8.2	6.8	1.3	-2.8	4.1
Feb.	7.2	0.8	8.1	6.3	1.7	-2.8	4.5
March	7.0	0.8	7.9	6.1	1.6	-2.8	4.5
April	7.0	0.6	7.5	6.1	1.4	-2.8	4.3
May	7.6	0.8	8.5	6.2	2.1	1.9	0.2
June	7.3	0.3	7.6	5.9	1.6	1.8	-0.2
July	7.3	0.5	7.9	5.4	2.3	1.8	0.5
Aug.	7.0	0.0	7.0	5.6	1.3	1.7	-0.4
Sept.	6.9	-0.3	6.6	5.5	1.0	1.7	-0.7
Oct. p	6.7	0.0	6.7	5.3	1.3	1.7	-0.4
Nov. p	6.8	0.0	6.8	5.0	1.8	1.7	3/

Note: The following relationships hold approximately:

column (1) + column (2) = column (3)
column (3) - column (4) = column (5)
column (5) - column (6) = column (7)

p = preliminary

1/ Effect of the change in average social security and federal income tax rates for a worker with 3 dependents who earned the average weekly earnings. The data for spendable earnings for the eight month period May-December 1975 are calculated from formulas which reflect the full amount of the tax reductions for the entire year 1975. To compare tax liabilities over the year, these series should be calculated using annual average formulas which reflect the tax reduction impact spread over the entire twelve month period.

2/ Workers with 3 dependents who earned the average weekly earnings.

3/ Less than 0.05.

4/ Seasonally adjusted data revised.

*The Hourly Earnings Index in dollars of constant purchasing power increased 0.2 percent from October. Compared with a year ago, the index was up 1.6 percent. (See tables 2 and 3.) The index excludes the effects of overtime in manufacturing and of interindustry shifts, such as the shift of workers between high-wage and low-wage industries.

Note: Seasonally adjusted establishment-based data in this release have been revised to reflect the seasonal experience from January 1967 through August 1976. This revision is being made in accordance with the Bureau's long-standing annual practice. There was one modification in procedure: The method used to seasonally adjust aggregated hours and earnings has been changed so that aggregate levels are the weighted averages of their seasonally-adjusted components rather than directly adjusted. Seasonally adjusted historical hours and earnings for the total private economy have been revised back to January 1964 and appear in the December issue of the BLS periodical, Employment and Earnings.

Spendable earnings are calculated by taking the average weekly pay for all production or nonsupervisory jobs, both full-time and part-time, and then deducting social security and Federal income taxes applicable to a single worker or to a worker with three dependents who made this amount.

Real spendable earnings, or purchasing power, represents the buying power of the spendable earnings of a worker earning the average pay and with the applicable deductions, after allowance for price changes from the 1967 base period, that is, adjustment by the Consumer Price Index.

The earnings series from which spendable and real spendable earnings are derived—gross average weekly earnings—is an arithmetic average of the earnings of all production or nonsupervisory jobs, including part-time jobs. Therefore, it is less than the average weekly earnings of full-time wage earners. It should be noted that the series on spendable earnings represents only the average earnings for those rank-and-file workers whose weekly pay approximates the averages indicated. The actual earnings level of workers with three dependents tends to be higher than the average figures given above, since workers with three dependents are generally older and more experienced and thus likely to command higher hourly wage rates and work more hours. Month-to-month and year-to-year changes in actual spendable earnings for this worker might also differ from the average estimates presented in this release.

The hourly earnings index is designed to measure underlying wage movements for production or nonsupervisory workers in the private nonfarm economy. It is adjusted to exclude the effects of two types of changes that are not related to underlying wage rate developments: overtime in manufacturing (the only sector for which overtime data are available) and interindustry employment shifts, such as shifts of workers between high-wage and low-wage industries.

Seasonally adjusted data are preferred by some users for analyzing general earnings trends in the economy since they eliminate the effect of changes that normally occur at the same time and in about the same magnitude each year and, therefore, reveal the underlying cyclical trends. These changes in average earnings may be due to seasonal changes in the proportion of workers in high-wage and low-wage industries or occupations, or to seasonal changes in the amount of overtime work, and so on. The seasonally adjusted data are presented in table 2.

For a comprehensive discussion of the spendable earnings series and hourly earnings index, and their relation to other wage data, see the following articles: Jack Alterman, "Compensation per Man-Hour and Take Home Pay," *Monthly Labor Review,* June 1971; Thomas Gavett, "Measures of Change in Real Wages and Earnings," *Monthly Labor Review,* February 1972; Norman Samuels, "Developing a General Wage Index,' *Monthly Labor Review,* March 1971; Paul Schwab, "Two Measures of Purchasing Power Contrasted," *Monthly Labor Review,* April 1971; and Eric Dmytrow and Janet Grimes, "Changes in the Spendable Earnings Series for 1976: Effects of the Tax Adjustment Act of 1975 and the Social Security Tax Base Change," Employment and Earnings, March 1976.

The Bureau of Labor Statistics also publishes a set of series on annual after-tax earnings which are derived from the Current Population Survey. These data reflect the actual annual earnings of heads of households with various sizes and compositions. They are discussed in detail by Paul M. Ryscavage in the article, "Annual Earnings of Household Heads," *Monthly Labor Review,* August 1975. Current data are in the press release "Real After Tax Annual Earnings of Household Heads in Production and Nonsupervisory Jobs, 1974."

Table 1. Earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

Industry	Gross average hourly earnings			Hourly earnings index [1] (1967 = 100)			Gross average weekly earnings			Spendable average weekly earnings [2]					
										Worker with three dependents			Worker with no dependents		
	Nov. 1975	Oct. 1976p	Nov. 1976p	Nov. 1975	Oct. 1976p	Nov. 1976p	Nov. 1975	Oct. 1976p	Nov. 1976p	Nov. 1975	Oct. 1976p	Nov. 1976p	Nov. 1975	Oct. 1976p	Nov. 1976p
TOTAL PRIVATE: [3]															
Current dollars	$4.68	$4.97	$5.00	178.2	188.9	189.8	$169.42	$179.91	$181.00	$152.41	$159.22	$160.04	$137.56	$146.52	$147.30
1967 dollars	2.83	2.87	2.88	107.6	109.0	109.2	102.31	103.81	104.14	92.04	91.88	92.08	83.07	84.55	84.75
Mining:															
Current dollars	6.11	6.57	6.60	189.6	204.8	205.0	262.73	289.08	290.40	222.67	242.21	243.21	204.76	225.67	226.55
1967 dollars	3.69	3.79	3.80	114.5	118.2	118.0	158.65	166.81	167.09	134.46	139.76	139.94	123.65	130.22	130.35
Contract construction:															
Current dollars	7.45	7.86	7.83	180.6	191.2	190.3	270.44	300.25	286.58	228.64	251.01	240.32	210.43	233.34	223.91
1967 dollars	5.00	4.54	4.51	109.1	110.3	109.5	163.31	173.25	164.89	138.07	144.84	138.27	127.07	134.65	128.83
Manufacturing:															
Current dollars	4.93	5.28	5.35	176.8	188.4	190.1	197.69	211.20	215.61	173.30	182.74	186.05	157.18	169.24	172.54
1967 dollars	2.98	3.05	3.08	106.7	108.7	109.4	119.38	121.87	124.06	104.65	105.45	107.05	94.92	97.66	99.28
Transportation and public utilities:															
Current dollars	6.19	6.61	6.64	191.3	204.2	205.3	245.12	265.06	264.94	209.03	223.87	223.78	192.00	208.53	208.44
1967 dollars	3.74	3.81	3.82	115.5	117.8	118.1	148.02	152.95	152.44	126.23	129.18	128.76	115.94	120.33	119.93
Wholesale and retail trade:															
Current dollars	3.83	4.06	4.08	172.4	182.0	182.9	128.69	135.60	136.27	121.16	126.75	127.21	107.99	113.74	114.25
1967 dollars	2.31	2.34	2.35	104.1	105.0	105.2	77.71	78.25	78.41	73.16	73.14	73.19	65.21	65.63	65.74
Finance, insurance, and real estate:															
Current dollars	4.24	4.40	4.42	166.2	172.2	172.7	155.18	161.48	161.77	141.35	145.10	145.33	127.37	133.19	133.41
1967 dollars	2.56	2.54	2.54	100.4	99.4	99.3	93.71	93.18	93.08	85.36	83.73	83.62	76.91	76.86	76.76
Services:															
Current dollars	4.22	4.44	4.48	181.9	192.1	193.2	142.21	148.30	149.63	132.93	135.41	136.31	117.88	123.29	124.29
1967 dollars	2.55	2.56	2.58	109.8	110.8	111.1	85.88	85.57	86.09	80.27	78.14	78.43	71.18	71.14	71.51

[1] Adjusted for overtime (manufacturing only) and interindustry employment shifts.

[2] Spendable earnings are calculated by deducting social security and Federal income taxes applicable to the gross average weekly earnings of all production or nonsupervisory workers. The data for spendable earnings for the eight month period May-December 1975 are calculated from formulas which reflect the full amount of the tax reduction for the entire year 1975. To compare tax liabilities over the year, these series should be calculated using annual average formulas which reflect the tax reduction impact spread over the entire twelve month period. A technical note on the calculation and uses of the spendable earnings series is available on request.

[3] Data relate to production workers in mining and manufacturing; construction workers in contract construction; and nonsupervisory workers in transporation and public utilities, trade, finance, insurance, and real estate, and services. Included in this group are approximately four-fifths of all workers on private industry payrolls.

p-preliminary.

Table 2. Earnings of production or nonsupervisory workers on total private nonagricultural payrolls, seasonally adjusted

Series	1975		1976										
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.^{p}	Nov.^{p}
Gross average hourly earnings:													
Current dollars	$4.67	$4.68	$4.72	$4.74	$4.77	$4.79	$4.83	$4.85	$4.88	$4.90	$4.92	$4.94	$4.99
1967 dollars	2.82	2.81	2.82	2.83	2.85	2.85	2.85	2.85	2.86	2.85	2.85	2.85	2.87
Hourly earnings index[1] (1967=100):													
Current dollars	177.6	178.0	179.4	180.3	181.1	182.1	183.3	184.0	185.2	186.4	187.2	188.1	189.2
1967 dollars	107.3	107.0	107.3	107.8	108.0	108.2	108.3	108.1	108.4	108.5	108.5	108.7	109.0
Gross average weekly earnings:													
Current dollars	$169.52	$170.35	$171.81	$172.54	$172.67	$172.92	$175.33	$175.57	$176.66	$176.89	$177.12	$178.33	$180.64
1967 dollars	102.43	102.37	102.82	103.13	103.03	102.74	103.56	103.22	103.37	102.96	102.68	103.02	104.06
Spendable average weekly earnings[2]:													
Current dollars	152.48	153.12	153.07	153.63	153.73	153.93	155.78	155.96	156.78	156.95	157.13	158.03	159.77
1967 dollars	92.13	92.02	91.60	91.83	91.73	91.46	92.01	91.69	91.74	91.36	91.09	91.29	92.03

[1] See footnote 1, table 1.

[2] Calculated for workers with 3 dependents who earned the average weekly earnings.

p = preliminary.

Note: Seasonally adjusted data revised.

Table 3. Percentage change[1] over the year in earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

November 1975 — November 1976

Industry	Hourly earnings index[2] (1967 = 100)		Gross average weekly earnings		Spendable average weekly earnings[3]			
					Worker with three dependents		Worker with no dependents	
	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars
TOTAL PRIVATE	6.5	1.6	6.8	1.8	5.0	3/	7.1	2.0
Mining	8.1	3.1	10.5	5.3	9.2	4.1	10.6	5.4
Contract construction	5.3	0.4	6.0	1.0	5.1	0.1	6.4	1.4
Manufacturing	7.6	2.5	9.1	3.9	7.4	2.3	9.8	4.6
Transportation and public utilities	7.3	2.3	8.1	3.0	7.1	2.0	8.6	3.4
Wholesale and retail trade	6.1	1.2	5.9	0.9	5.0	3/	5.8	0.8
Finance, insurance, and real estate	3.9	-1.0	4.2	-0.7	2.8	-2.0	4.7	-0.2
Services	6.2	1.3	5.2	0.2	2.5	-2.3	5.4	0.5

NOTE: Percentage change over the year in the Consumer Price Index (all items, 1967 = 100) 5.0

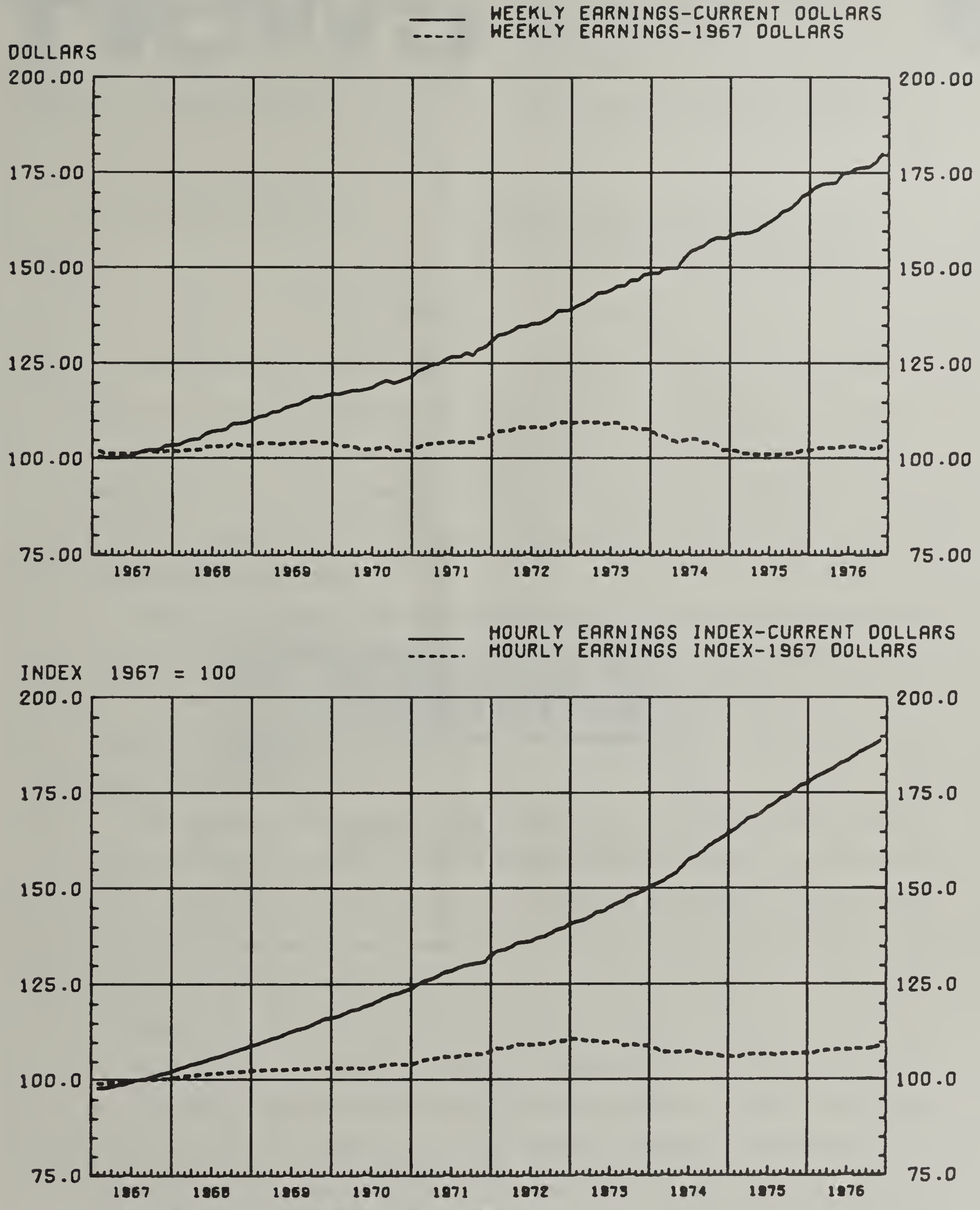
[1] Based on preliminary data for the current month. Hourly earnings index changes are based on seasonally adjusted data. Gross and weekly changes are based on data that are not seasonally adjusted.

[2] See footnote 1, table 1.

[3] Calculated for workers who earned the average weekly earnings.

4/ Less than 0.05 percent.

PRIVATE NONFARM AVERAGE EARNINGS
SEASONALLY ADJUSTED



NOTE: Data for two most recent months are preliminary.

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RELEASE IS EMBARGOED UNTIL 10:00
A.M. (E.S.T.), Wednesday, January 19, 1977

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*Real gross average weekly earnings increased 0.3 percent from November to December after allowance for the usual seasonal variation. The increase was due to a 0.4 percent increase in average hourly earnings and a 0.3 percent increase in average weekly hours, which offset a 0.4 percent increase in the Consumer Price Index. (See table A.)

Over the year, real average weekly earnings were up 1.8 percent. Average hourly earnings increased 7.1 percent counteracting a 0.3 percent drop in average weekly hours and a 4.8 percent rise in the Consumer Price Index. (Before adjustment for the increase in the Consumer Price Index and for seasonal change, average weekly earnings were $182.36 in December, compared with $170.82 a year earlier. See table 1.)

*Real spendable earnings--average real weekly pay of all workers reduced by Social Security and Federal income tax rates applicable to a married worker with three dependents who earned the average amount--increased 0.2 percent from the November level, seasonally adjusted. The increase was due to the 0.3 percent rise in real gross average weekly earnings which offset the 0.1 percent increase in the tax effect.

Table A. Composition of change in real earnings (production or nonsupervisory workers on private nonfarm payrolls)

Month	(1) Average hourly earnings	(2) Average weekly hours	(3) Average weekly earnings	(4) Consumer price index	(5) Real average weekly earnings	(6) Average tax effect 1/	(7) Real spendable earnings 2/
	Percent change from preceding month, seasonally adjusted						
1975							
Dec.	0.2	0.3	0.5	0.5	-0.1	0.1	-0.1
1976							
Jan.	0.9	0.0	0.9	0.4	0.4	0.9	-0.5
Feb.	0.4	0.0	0.4	0.1	0.3	0.1	0.3
March	0.6	-0.5	0.1	0.2	-0.1	3/	-0.1
April	0.4	-0.3	0.1	0.4	-0.3	3/	-0.3
May	0.8	0.6	1.4	0.6	0.8	0.2	0.6
June	0.4	-0.3	0.1	0.5	-0.3	3/	-0.3
July	0.6	0.0	0.6	0.5	0.1	0.1	0.1
Aug.	0.4	-0.3	0.1	0.5	-0.4	3/	-0.4
Sept.	0.4	-0.3	0.1	0.4	-0.3	3/	-0.3
Oct.	0.6	0.3	0.9	0.3	0.5	0.1	0.4
Nov.p	0.8	0.3	1.1	0.3	0.8	0.2	0.6
Dec.p	0.4	0.3	0.7	0.4	0.3	0.1	0.2
	Percent change from same month a year ago						
1975							
Dec.	6.8	0.3	7.1	7.0	0.1	-3.6	3.8
1976							
Jan.	7.3	0.8	8.2	6.8	1.3	-2.8	4.1
Feb.	7.2	0.8	8.1	6.3	1.7	-2.8	4.5
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Oct.	6.9	0.0	6.9	5.3	1.5	1.7	-0.2
Nov. p	6.8	-0.3	6.5	5.0	1.5	1.7	-0.2
Dec. p	7.1	-0.3	6.8	4.8	1.8	1.7	0.1

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REAL EARNINGS

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For a comprehensive discussion of the spendable earnings series and hourly earnings index, and their relation to other wage data, see the following articles: Jack Alterman, "Compensation per Man-Hour and Take Home Pay," *Monthly Labor Review,* June 1971; Thomas Gavett, "Measures of Change in Real Wages and Earnings," *Monthly Labor Review,* February 1972; Norman Samuels, "Developing a General Wage Index," *Monthly Labor Review,* March 1971; Paul Schwab, "Two Measures of Purchasing Power Contrasted," *Monthly Labor Review,* April 1971; and Eric Dmytrow and Janet Grimes, "Changes in the Spendable Earnings Series for 1976: Effects of the Tax Adjustment Act of 1975 and the Social Security Tax Base Change," Employment and Earnings, March 1976.

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										Worker with three dependents			Worker with no dependents		
	Dec. 1975	Nov. 1976p	Dec. 1976p	Dec. 1975	Nov. 1976p	Dec. 1976p	Dec. 1975	Nov. 1976p	Dec. 1976p	Dec. 1975	Nov. 1976p	Dec. 1976p	Dec. 1975	Nov. 1976p	Dec. 1976p
TOTAL PRIVATE: [3]															
Current dollars	$4.68	$5.00	$5.01	178.7	189.8	190.7	$170.82	$180.50	$182.36	$153.48	$159.67	$161.06	$138.52	$146.94	$148.28
1967 dollars	2.81	2.88	2.87	107.5	109.2	109.4	102.72	103.86	104.62	92.29	91.87	92.40	83.30	84.55	85.07
Mining:															
Current dollars	6.17	6.60	6.66	191.3	205.0	206.6	264.69	287.76	291.04	224.19	241.21	243.69	206.20	224.75	226.98
1967 dollars	3.71	3.80	3.82	115.0	117.9	118.6	159.16	165.57	166.98	134.81	138.79	139.81	123.99	129.32	130.22
Contract construction:															
Current dollars	7.51	7.86	7.91	181.0	190.6	190.8	275.62	289.25	291.09	232.92	242.34	243.73	214.51	225.78	227.02
1967 dollars	4.52	4.52	4.54	108.9	109.6	109.5	165.74	166.43	167.01	140.06	139.44	139.83	128.99	129.91	130.25
Manufacturing:															
Current dollars	5.00	5.34	5.41	178.3	189.7	191.3	204.00	215.20	220.19	177.95	185.74	189.49	161.85	172.23	175.97
1967 dollars	3.01	3.07	3.10	107.2	109.1	109.8	122.67	123.82	126.33	107.01	106.87	108.71	97.32	99.10	100.96
Transportation and public utilities:															
Current dollars	6.18	6.64	6.65	190.9	205.0	204.2	246.58	264.94	266.67	210.18	223.78	225.12	193.08	208.44	209.68
1967 dollars	3.72	3.82	3.82	114.8	117.9	117.1	148.27	152.44	152.99	126.39	128.76	129.16	116.10	119.93	120.30
Wholesale and retail trade:															
Current dollars	3.81	4.09	4.07	171.9	182.9	183.2	130.30	136.20	137.97	122.68	127.16	128.37	109.16	114.19	115.52
1967 dollars	2.29	2.35	2.34	103.4	105.2	105.1	78.35	78.37	79.16	73.77	73.16	73.65	65.64	65.70	66.28
Finance, insurance, and real estate:															
Current dollars	4.23	4.41	4.43	165.4	172.4	173.2	153.97	161.41	162.58	140.42	145.05	145.95	126.48	133.14	134.01
1967 dollars	2.54	2.54	2.54	99.5	99.2	99.4	92.59	92.87	93.28	84.44	83.46	83.73	76.06	76.61	76.88
Services:															
Current dollars	4.23	4.49	4.51	182.8	193.7	195.0	142.13	149.97	151.09	132.88	136.54	137.31	117.82	124.54	125.38
1967 dollars	2.54	2.58	2.59	109.9	111.5	111.9	85.47	86.29	86.68	79.90	78.56	78.78	70.85	71.66	71.93

[1] Adjusted for overtime (manufacturing only) and interindustry employment shifts.

[2] Spendable earnings are calculated by deducting social security and Federal income taxes applicable to the gross average weekly earnings of all production or nonsupervisory workers. The data for spendable earnings for the eight month period May-December 1975 are calculated from formulas which reflect the full amount of the tax reduction for the entire year 1975. To compare tax liabilities over the year, these series should be calculated using annual average formulas which reflect the tax reduction impact spread over the entire twelve month period. A technical note on the calculation and uses of the spendable earnings series is available on request.

[3] Data relate to production workers in mining and manufacturing; construction workers in contract construction; and nonsupervisory workers in transporation and public utilities, trade, finance, insurance, and real estate, and services. Included in this group are approximately four-fifths of all workers on private industry payrolls.

p=preliminary.

Table 2. Earnings of production or nonsupervisory workers on total private nonagricultural payrolls, seasonally adjusted

Series	1975	1976											
	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.p	Dec.p
Gross average hourly earnings:													
Current dollars	$4.68	$4.72	$4.74	$4.77	$4.79	$4.83	$4.85	$4.88	$4.90	$4.92	$4.95	$4.99	$5.01
1967 dollars	2.81	2.82	2.83	2.85	2.85	2.85	2.85	2.86	2.85	2.85	2.86	2.87	2.87
Hourly earnings index[1] (1967=100):													
Current dollars	178.0	179.4	180.3	181.1	182.1	183.3	184.0	185.2	186.4	187.2	188.2	189.2	190.0
1967 dollars	107.0	107.3	107.8	108.0	108.2	108.3	108.1	108.4	108.5	108.5	108.7	109.0	109.0
Gross average weekly earnings:													
Current dollars	$170.35	$171.81	$172.54	$172.67	$172.92	$175.33	$175.57	$176.66	$176.89	$177.12	$178.70	$180.64	$181.86
1967 dollars	102.37	102.82	103.13	103.03	102.74	103.56	103.22	103.37	102.96	102.68	103.24	104.06	104.34
Spendable average weekly earnings[2]:													
Current dollars	153.12	153.07	153.63	153.73	153.93	155.78	155.96	156.78	156.95	157.13	158.31	159.77	160.69
1967 dollars	92.02	91.60	91.83	91.73	91.46	92.01	91.69	91.74	91.36	91.09	91.46	92.03	92.19

[1] See footnote 1, table 1.

[2] Calculated for workers with 3 dependents who earned the average weekly earnings.

p = preliminary.

Table 3. Percentage change[1] over the year in earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

December 1975 — December 1976

Industry	Hourly earnings index [2] (1967 = 100)		Gross average weekly earnings		Spendable average weekly earnings [3]			
					Worker with three dependents		Worker with no dependents	
	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars
TOTAL PRIVATE	6.7	1.9	6.8	1.8	4.9	0.1	7.0	2.1
Mining	8.0	3.1	10.0	4.9	8.7	3.7	10.1	5.0
Contract construction	5.4	.6	5.6	.8	4.6	-.2	5.8	1.0
Manufacturing	7.3	2.4	7.9	3.0	6.5	1.6	8.7	3.7
Transportation and public utilities	7.0	2.1	8.1	3.2	7.1	2.2	8.6	3.6
Wholesale and retail trade	6.6	1.7	5.9	1.0	4.6	-.2	5.8	1.0
Finance, insurance, and real estate	4.7	4/	5.6	.7	3.9	-.8	6.0	1.1
Services	6.7	1.8	6.3	1.4	3.3	-1.4	6.4	1.5

NOTE: Percentage change over the year in the Consumer Price Index (all items, 1967 = 100) 4.8

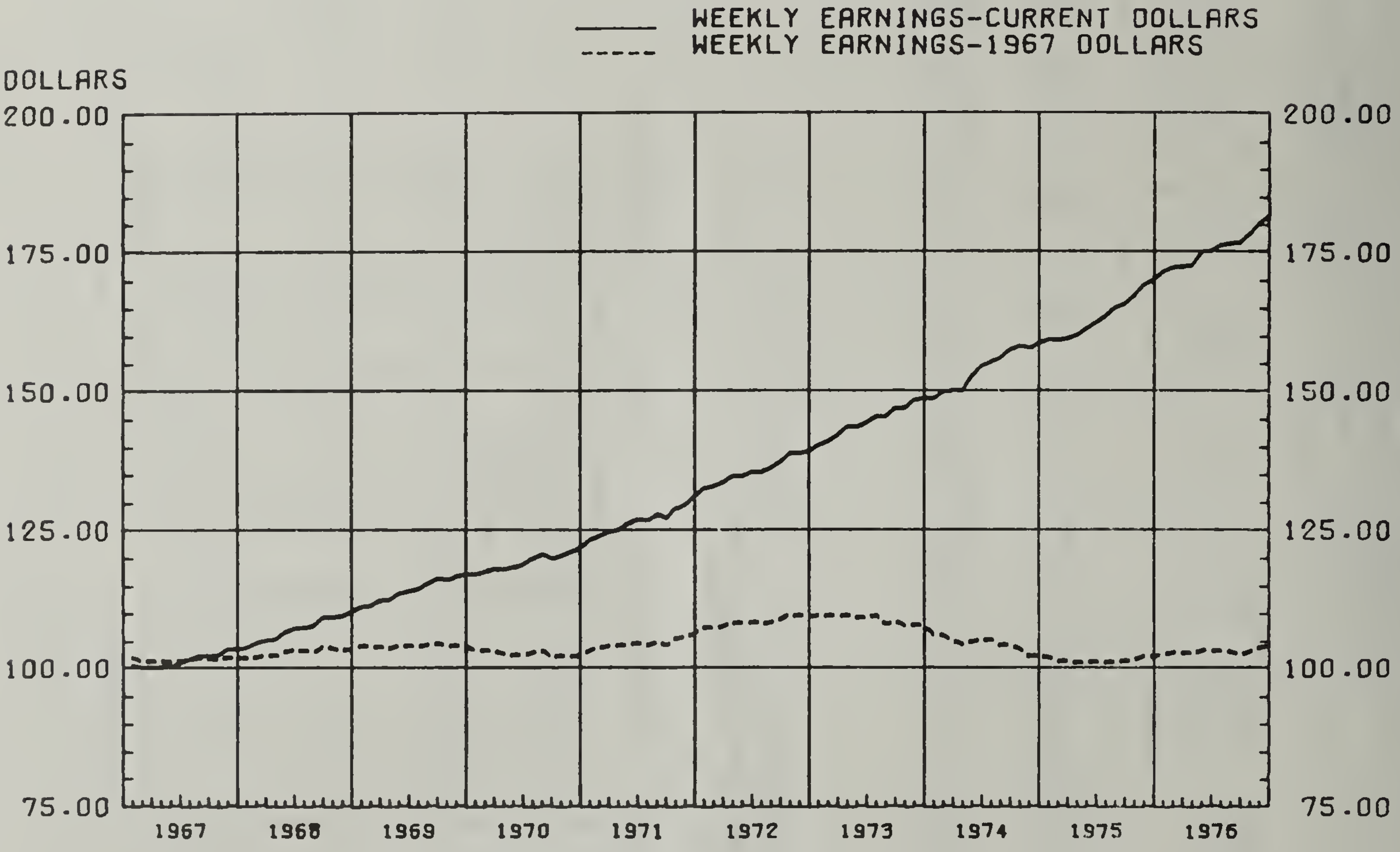
[1] Based on preliminary data for the current month. Hourly earnings index changes are based on seasonally adjusted data. Gross and weekly changes are based on data that are not seasonally adjusted.

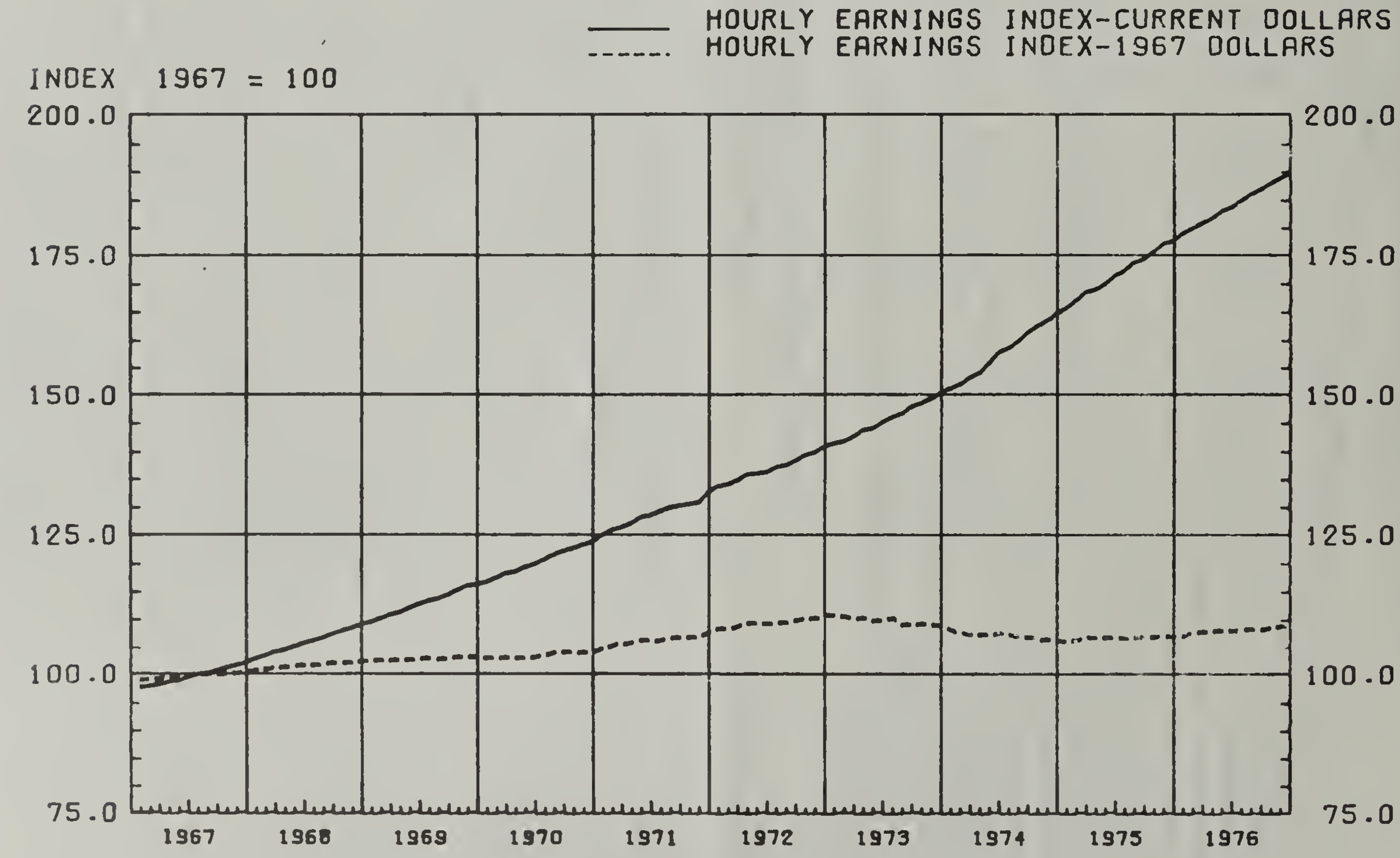
[2] See footnote 1, table 1.

[3] Calculated for workers who earned the average weekly earnings.

4/Less than 0.05.

PRIVATE NONFARM AVERAGE EARNINGS
SEASONALLY ADJUSTED





NOTE: Data for two most recent months are preliminary.

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USDL-77-155
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REAL EARNINGS IN JANUARY 1977

Preliminary real earnings figures for January--covering full-time and part-time workers on production or nonsupervisory jobs in the private nonfarm sector of the American economy--were released today by the Bureau of Labor Statistics of the U.S. Department of Labor. (Real earnings--or earnings in constant dollars--are calculated by adjusting earnings in current dollars for changes in the Consumer Price Index.)

*Real gross average weekly earnings decreased 1.1 percent from December to January after allowance for the usual seasonal variation. This was due to a 1.1 percent decrease in average weekly hours, as a 0.8 percent increase in average hourly earnings was offset by a 0.8 percent increase in the Consumer Price Index. (See table A.) The substantial cutback in hours was a direct result of reduced operations in a large number of establishments caused by weather conditions.

Over the year, real average weekly earnings were up 0.2 percent. Average hourly earnings increased 7.2 percent counteracting a 1.7 percent decline in average weekly hours and a 5.2 percent rise in the Consumer Price Index. (Before adjustment for the increase in the Consumer Price Index and seasonal change, average weekly earnings were $179.12 in January, compared with $169.92 a year earlier. See table 1.)

*Real spendable earnings--average real weekly pay of all workers reduced by Social Security and Federal income tax rates applicable to a married worker with three dependents who earned the average amount--decreased 1.1 percent from the December level, seasonally adjusted. This decrease was due to the decline in real gross average weekly earnings.

Table A. Composition of change in real earnings (production or nonsupervisory workers on private nonfarm payrolls)

Month	(1) Average hourly earnings	(2) Average weekly hours	(3) Average weekly earnings	(4) Consumer price index	(5) Real average weekly earnings	(6) Average tax effect 1/	(7) Real spendable earnings 2/
	Percent change from preceding month, seasonally adjusted						
1976							
Jan.	0.6	0.3	0.9	0.6	0.3	0.9	-0.6
Feb.	0.6	0.0	0.6	0.1	0.5	0.1	0.4
March	0.4	-0.5	-0.1	0.2	-0.4	3/	-0.4
April	0.4	-0.3	0.1	0.4	-0.3	3/	-0.3
May	1.0	0.6	1.6	0.7	0.9	0.2	0.7
June	0.2	-0.6	-0.3	0.4	-0.8	-0.1	-0.7
July	0.6	0.0	0.6	0.5	0.1	0.1	0.1
Aug.	0.6	0.0	0.6	0.5	0.1	0.1	3/
Sept.	0.2	-0.3	-0.1	0.3	-0.4	3/	-0.4
Oct.	0.6	0.3	0.9	0.3	0.5	0.1	0.4
Nov.	1.0	0.3	1.3	0.3	1.0	0.2	0.8
Dec.	0.4	0.0	0.4	0.4	0.0	0.1	-0.1
1977							
Jan.	0.8	-1.1	-0.3	0.8	-1.1	3/	-1.1
	Percent change from same month a year ago						
1976							
Jan.	7.3	0.8	8.2	6.8	1.3	-2.8	4.1
Feb.	7.2	0.8	8.1	6.3	1.7	-2.8	4.5
March	7.2	0.8	8.1	6.1	1.9	-2.7	4.7
April	7.2	0.3	7.5	6.1	1.3	-2.8	4.2
May	7.8	0.8	8.7	6.2	2.4	1.9	0.4
June	7.5	0.3	7.8	5.9	1.8	1.8	3/
July	7.3	0.5	7.9	5.4	2.3	1.8	0.5
Aug.	7.0	0.0	7.0	5.6	1.3	1.7	-0.4
Sept.	6.9	-0.3	6.6	5.5	1.0	1.7	-0.7
Oct.	6.9	0.0	6.9	5.3	1.5	1.7	-0.2
Nov.	6.8	-0.3	6.5	5.0	1.5	1.7	-0.2
Dec.	7.0	-0.3	6.7	4.8	1.8	1.7	0.1
1977							
Jan.	7.2	-1.7	5.4	5.2	0.2	0.7	-0.5

Note: The following relationships hold approximately:
column (1) + column (2) = column (3)
column (3) - column (4) = column (5)
column (5) - column (6) = column (7)

p = preliminary.

1/ Effect of the change in average social security and federal income tax rates for a married worker with 3 dependents who earned the average weekly earnings.

2/ Married workers with 3 dependents who earned the average weekly earnings.

3/ Less than 0.05.

Over the year, real spendable earnings decreased 0.5 percent as an increase in the tax effect more than offset a 0.2 percent increase in real gross average weekly earnings.

*The Hourly Earnings Index in dollars of constant purchasing power increased 0.2 percent from December. Compared with a year ago, the index was up 2.0 percent. (See tables 2 and 3.) The index excludes the effects of overtime in manufacturing and of interindustry shifts, such as the shift of workers between high-wage and low-wage industries.

Note: The seasonally adjusted Consumer Price Index (CPI) has been revised to reflect developments during 1976. The seasonally adjusted real earnings data shown in this release which use the seasonally adjusted CPI in their computations have been revised accordingly. In addition, some average weekly hours and average hourly earnings data were revised due to the interim revision of the employment data in the establishment series. A detailed description of the interim revision appears in the February 1977 issue of Employment and Earnings.

The historical earnings series comparable with those shown in table 2 of this release will be published in the March 1977 issue of Employment and Earnings.

The spendable earnings formulas for 1977 will also be published in the March 1977 issue of Employment and Earnings. These formulas will reflect the increase in the maximum amount of earnings subject to Social Security taxes.

REAL EARNINGS

Spendable earnings are calculated by taking the average weekly pay for all production or nonsupervisory jobs, both full-time and part-time, and then deducting social security and Federal income taxes applicable to a single worker or to a married worker with three dependents who made this amount.

Real spendable earnings, or purchasing power, represents the buying power of the spendable earnings of a worker earning the average pay and with the applicable deductions, after allowance for price changes from the 1967 base period, that is, adjustment by the Consumer Price Index.

The earnings series from which spendable and real spendable earnings are derived—gross average weekly earnings—is an arithmetic average of the earnings of all production or nonsupervisory jobs, including part-time jobs. Therefore, it is less than the average weekly earnings of full-time wage earners. It should be noted that the series on spendable earnings represents only the average earnings for those rank-and-file workers whose weekly pay approximates the averages indicated. The actual earnings level of married workers with three dependents tends to be higher than the average figures given above, since married workers with three dependents are generally older and more experienced and thus likely to command higher hourly wage rates and work more hours. Month-to-month and year-to-year changes in actual spendable earnings for this worker might also differ from the average estimates presented in this release.

The hourly earnings index is designed to measure underlying wage movements for production or nonsupervisory workers in the private nonfarm economy. It is adjusted to exclude the effects of two types of changes that are not related to underlying wage rate developments: overtime in manufacturing (the only sector for which overtime data are available) and interindustry employment shifts, such as shifts of workers between high-wage and low-wage industries.

Seasonally adjusted data are preferred by some users for analyzing general earnings trends in the economy since they eliminate the effect of changes that normally occur at the same time and in about the same magnitude each year and, therefore, reveal the underlying cyclical trends. These changes in average earnings may be due to seasonal changes in the proportion of workers in high-wage and low-wage industries or occupations, or to seasonal changes in the amount of overtime work, and so on. The seasonally adjusted data are presented in table 2.

For a comprehensive discussion of the spendable earnings series and hourly earnings index, and their relation to other wage data, see the following articles: Jack Alterman, "Compensation per Man-Hour and Take Home Pay," *Monthly Labor Review,* June 1971; Thomas Gavett, "Measures of Change in Real Wages and Earnings," *Monthly Labor Review,* February 1972; Norman Samuels, "Developing a General Wage Index," *Monthly Labor Review,* March 1971; Paul Schwab, "Two Measures of Purchasing Power Contrasted," *Monthly Labor Review,* April 1971; and Eric Dmytrow and Janet Grimes, "Changes in the Spendable Earnings Series for 1976: Effects of the Tax Adjustment Act of 1975 and the Social Security Tax Base Change," Employment and Earnings, March 1976.

The Bureau of Labor Statistics also publishes a set of series on annual after-tax earnings which are derived from the Current Population Survey. These data reflect the actual annual earnings of heads of households with various sizes and compositions. They are discussed in detail by Paul M. Ryscavage in the article, "Annual Earnings of Household Heads," *Monthly Labor Review,* August 1975. Current data are in the press release "Real After Tax Annual Earnings of Household Heads in Production and Nonsupervisory Jobs, 1974."

Table 1. Earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

Industry	Gross average hourly earnings			Hourly earnings index[1] (1967 = 100)			Gross average weekly earnings			Spendable average weekly earnings[2]					
										Married worker with 3 dependents			Worker with no dependents		
	Jan. 1976	Dec. 1976[p]	Jan. 1977[p]	Jan. 1976	Dec. 1976[p]	Jan. 1977[p]	Jan. 1976	Dec. 1976[p]	Jan. 1977[p]	Jan. 1976	Dec. 1976[p]	Jan. 1977[p]	Jan. 1976	Dec. 1976[p]	Jan. 1977[p]
TOTAL PRIVATE:[3]															
Current dollars	$4.72	$5.02	$5.06	180.0	191.1	192.9	$169.92	$182.73	$179.12	$151.61	$161.34	$158.63	$139.31	$148.55	$145.95
1967 dollars	2.83	2.88	2.89	108.0	109.6	110.0	101.93	104.84	102.18	90.95	92.56	90.49	83.57	85.23	83.26
Mining:															
Current dollars	6.27	6.70	6.74	193.8	208.2	208.7	266.48	290.78	279.04	224.97	243.49	234.61	209.54	226.81	218.52
1967 dollars	3.76	3.84	3.84	116.2	119.5	119.0	159.86	166.83	159.18	134.96	139.70	133.83	125.70	130.13	124.65
Contract construction:															
Current dollars	7.50	7.89	7.97	179.3	190.6	191.5	270.00	290.35	268.59	227.70	243.17	226.60	212.06	226.52	211.05
1967 dollars	4.50	4.53	4.55	107.5	109.4	109.2	161.97	166.58	153.22	136.59	139.51	129.26	127.21	129.96	120.39
Manufacturing:															
Current dollars	5.02	5.42	5.44	179.5	191.8	192.5	200.30	220.05	213.79	174.55	189.39	184.68	161.23	175.86	171.18
1967 dollars	3.01	3.11	3.10	107.7	110.1	109.8	120.16	126.25	121.96	104.71	108.66	105.35	96.72	100.90	97.65
Transportation and public utilities:															
Current dollars	6.23	6.65	6.68	192.4	204.1	205.1	244.84	268.00	264.53	208.26	226.15	223.46	194.05	210.63	208.15
1967 dollars	3.74	3.82	3.81	115.4	117.1	117.0	146.87	153.76	150.90	124.93	129.75	127.47	116.41	120.84	118.74
Wholesale and retail trade:															
Current dollars	3.89	4.07	4.16	174.0	183.7	186.0	129.93	137.97	136.03	122.33	128.37	127.04	109.48	115.52	114.07
1967 dollars	2.33	2.34	2.37	104.4	105.4	106.1	77.94	79.16	77.60	73.38	73.65	72.47	65.67	66.28	65.07
Finance, insurance, and real estate:															
Current dollars	4.26	4.42	4.51	166.9	173.0	176.9	155.49	162.21	166.87	140.48	145.67	149.26	128.69	133.74	137.11
1967 dollars	2.56	2.54	2.57	100.1	99.2	100.9	93.28	93.06	95.19	84.27	83.57	85.15	77.20	76.73	78.21
Services:															
Current dollars	4.26	4.52	4.61	184.4	195.6	199.5	142.71	150.97	153.05	131.60	137.23	138.64	119.09	125.29	126.86
1967 dollars	2.56	2.59	2.63	110.6	112.2	113.8	85.61	86.62	87.31	78.94	78.73	79.09	71.44	71.88	72.37

[1] Adjusted for overtime (manufacturing only) and interindustry employment shifts.

[2] Spendable earnings are calculated by deducting social security and Federal income taxes applicable to the gross average weekly earnings of all production or nonsupervisory workers. A technical note on the calculation and uses of the spendable earnings series is available on request.

[3] Data relate to production workers in mining and manufacturing; construction workers in contract construction; and nonsupervisory workers in transportation and public utilities, trade, finance, insurance, and real estate, and services. Included in this group are approximately four-fifths of all workers on private industry payrolls.

p=preliminary.

Table 2. Earnings of production or nonsupervisory workers on total private nonagricultural payrolls, seasonally adjusted

Series	1976												1977
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.p	Jan.p
Gross average hourly earnings:													
Current dollars	$4.72	$4.75	$4.77	$4.79	$4.84	$4.85	$4.88	$4.91	$4.92	$4.95	$5.00	$5.02	$5.06
1967 dollars	2.82	2.84	2.84	2.84	2.86	2.85	2.85	2.86	2.85	2.86	2.88	2.88	2.88
Hourly earnings index[1] (1967=100):													
Current dollars	179.4	180.3	181.1	182.1	183.3	184.0	185.2	186.4	187.2	188.2	189.4	190.4	192.3
1967 dollars	107.3	107.8	108.0	108.1	108.1	108.1	108.3	108.5	108.6	108.8	109.2	109.3	109.5
Gross average weekly earnings:													
Current dollars	$171.81	$172.90	$172.67	$172.92	$175.69	$175.09	$176.17	$177.25	$177.12	$178.70	$181.00	$181.72	$181.15
1967 dollars	102.82	103.35	102.96	102.68	103.65	102.87	103.02	103.17	102.74	103.29	104.32	104.32	103.16
Spendable average weekly earnings[2]:													
Current dollars	153.07	153.91	153.73	153.93	156.05	155.60	156.41	157.22	157.13	158.31	160.04	160.58	160.15
1967 dollars	91.60	92.00	91.67	91.41	92.06	91.42	91.47	91.51	91.14	91.51	92.24	92.18	91.20

[1] See footnote 1, table 1.

[2] Calculated for married worker with 3 dependents who earned the average weekly earnings.

p = preliminary.

Table 3. Percentage change[1] over the year in earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

January 1976 — January 1977

Industry	Hourly earnings index [2] (1967 = 100)		Gross average weekly earnings		Spendable average weekly earnings [3]			
					Married worker with 3 dependents		Worker with no dependents	
	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars
TOTAL PRIVATE	7.2	2.0	5.4	0.2	4.6	-0.5	4.8	-0.4
Mining	7.7	2.4	4.7	-.4	4.3	-.8	4.3	-.8
Contract construction	6.8	1.6	-.5	-5.4	-.5	-5.4	-.5	-5.4
Manufacturing	7.3	2.1	6.7	1.5	5.8	.6	6.2	1.0
Transportation and public utilities	6.6	1.5	8.0	2.7	7.3	2.0	7.3	2.0
Wholesale and retail trade	6.9	1.7	4.7	-.4	3.9	-1.2	4.2	-.9
Finance, insurance, and real estate	6.0	.8	7.3	2.0	6.3	1.0	6.5	1.3
Services	8.2	2.9	7.2	2.0	5.3	.2	6.5	1.3

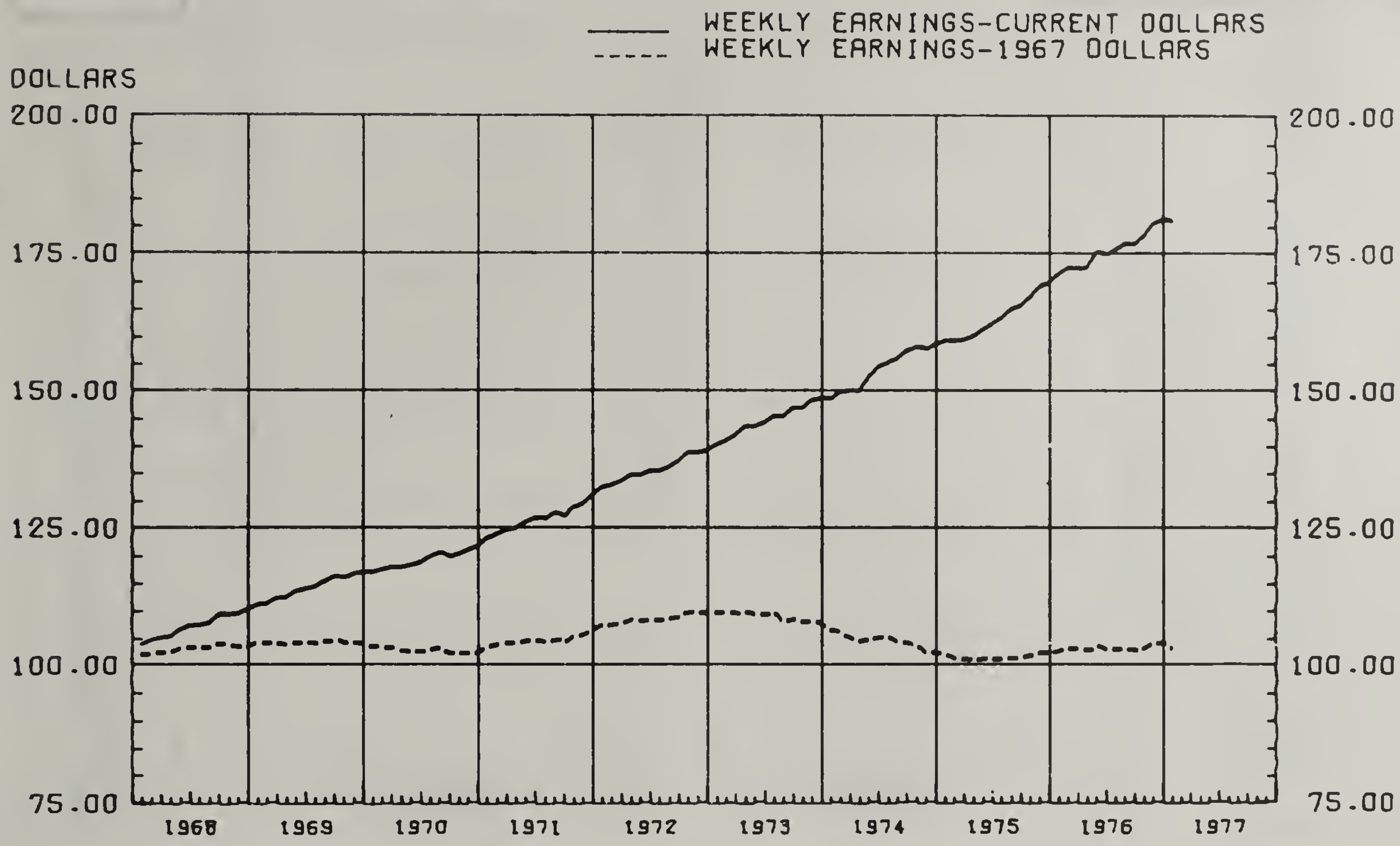
NOTE: Percentage change over the year in the Consumer Price Index (all items, 1967 = 100) 5.2

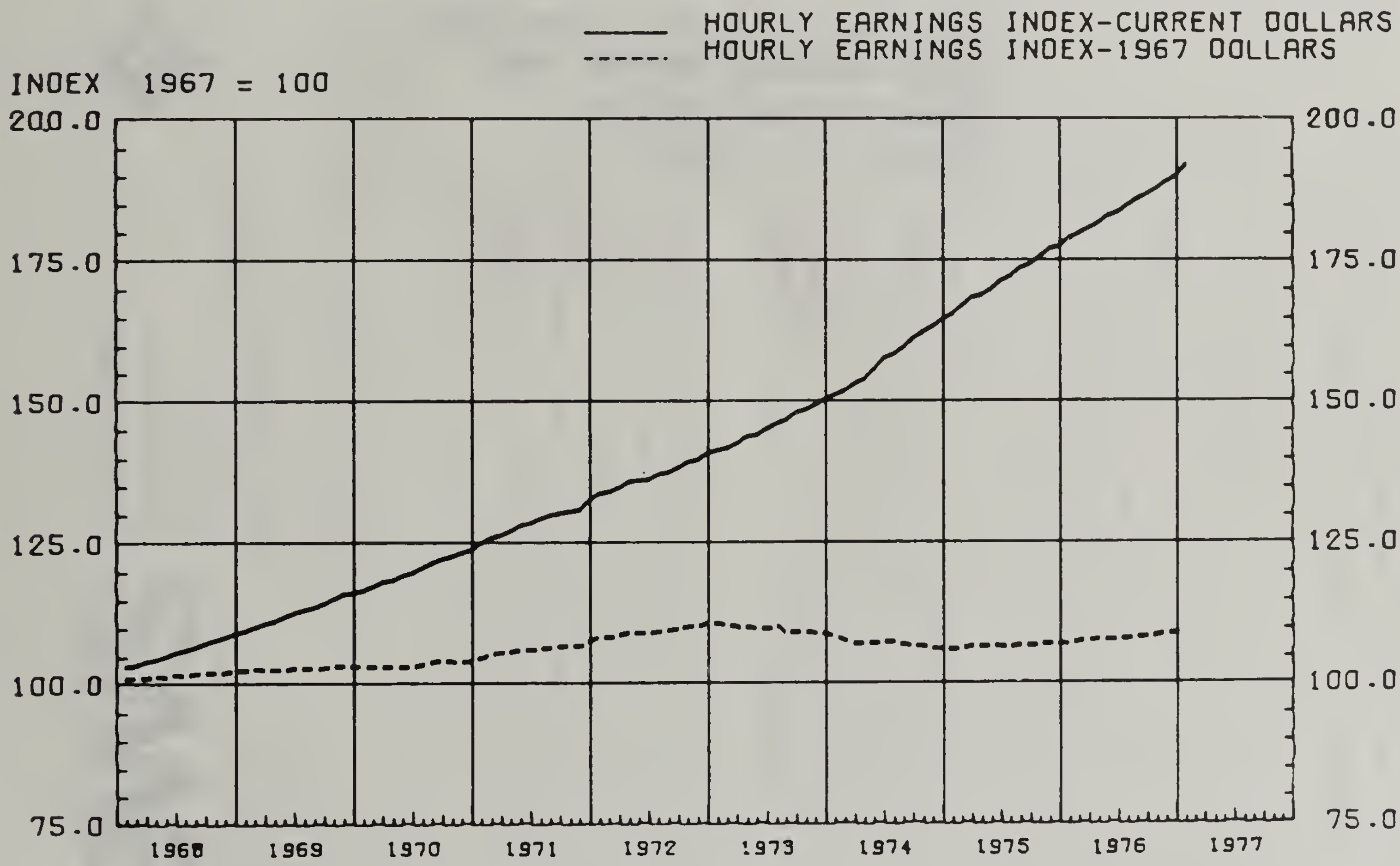
[1] Based on preliminary data for the current month. Hourly earnings index changes are based on seasonally adjusted data. Gross and weekly changes are based on data that are not seasonally adjusted.

[2] See footnote 1, table 1.

[3] Calculated for workers who earned the average weekly earnings.

PRIVATE NONFARM AVERAGE EARNINGS
SEASONALLY ADJUSTED





NOTE: Data for two most recent months are preliminary.

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(E.S.T.), Friday, March 18, 1977

REAL EARNINGS IN FEBRUARY 1977

Preliminary real earnings figures for February--covering full-time and part-time workers on production or nonsupervisory jobs in the private nonfarm sector of the American economy--were released today by the Bureau of Labor Statistics of the U.S. Department of Labor. (Real earnings--or earnings in constant dollars--are calculated by adjusting earnings in current dollars for changes in the Consumer Price Index.)

*Real gross average weekly earnings increased 0.8 percent from January to February after allowance for the usual seasonal variation. This was due to a 1.4 percent increase in average weekly hours and a 0.4 percent increase in average hourly earnings which offset a 1.0 percent increase in the Consumer Price Index. (See table A.) The substantial increase in hours to a large extent reflects the resumption of normal operations in a large number of establishments which had reduced operations due to January's weather conditions.

Over the year, real average weekly earnings were up 0.7 percent. Average weekly hours were unchanged, and average hourly earnings increased 6.8 percent counteracting a 6.0 percent rise in the Consumer Price Index. (Before adjustment for the increase in the Consumer Price Index and seasonal change, average weekly earnings were $182.16 in February, compared with $170.64 a year earlier. See table 1.)

*Real spendable earnings--average real weekly pay of all workers reduced by Social Security and Federal income tax rates applicable to a married worker with three dependents who earned the average amount--increased 0.5 percent from the January level, seasonally adjusted. This increase was due to the increase in real gross average weekly earnings.

Table A. Composition of change in real earnings (production or nonsupervisory workers on private nonfarm payrolls)

Month	(1) Average hourly earnings	(2) Average weekly hours	(3) Average weekly earnings	(4) Consumer price index	(5) Real average weekly earnings	(6) Average tax effect 1/	(7) Real spendable earnings 2/
	Percent change from preceding month, seasonally adjusted						
1976							
Feb.	0.6	0.0	0.6	0.1	0.5	0.1	0.4
March	0.4	-0.5	-0.1	0.2	-0.4	3/	-0.4
April	0.4	-0.3	0.1	0.4	-0.3	3/	-0.3
May	1.0	0.6	1.6	0.7	0.9	0.2	0.7
June	0.2	-0.6	-0.3	0.4	-0.8	-0.1	-0.7
July	0.6	0.0	0.6	0.5	0.1	0.1	0.1
Aug.	0.6	0.0	0.6	0.5	0.1	0.1	3/
Sept.	0.2	-0.3	-0.1	0.3	-0.4	3/	-0.4
Oct.	0.6	0.3	0.9	0.3	0.5	0.1	0.4
Nov.	1.0	0.3	1.3	0.3	1.0	0.2	0.8
Dec.	0.4	0.0	0.4	0.4	0.0	0.1	-0.1
1977							
Jan. p	0.6	-0.8	-0.2	0.8	-1.0	3/	-1.0
Feb. p	0.4	1.4	1.8	1.0	0.8	0.3	0.5
	Percent change from same month a year ago						
1976							
Feb.	7.2	0.8	8.1	6.3	1.7	-2.8	4.5
March	7.2	0.8	8.1	6.1	1.9	-2.7	4.7
April	7.2	0.3	7.5	6.1	1.3	-2.8	4.2
May	7.8	0.8	8.7	6.2	2.4	1.9	0.4
June	7.5	0.3	7.8	5.9	1.8	1.8	3/
July	7.3	0.5	7.9	5.4	2.3	1.8	0.5
Aug.	7.0	0.0	7.0	5.6	1.3	1.7	-0.4
Sept.	6.9	-0.3	6.6	5.5	1.0	1.7	-0.7
Oct.	6.9	0.0	6.9	5.3	1.5	1.7	-0.2
Nov.	6.8	-0.3	6.5	5.0	1.5	1.7	-0.2
Dec.	7.0	-0.3	6.7	4.8	1.8	1.7	0.1
1977							
Jan. p	7.0	-1.4	5.5	5.2	0.3	0.8	-0.4
Feb. p	6.8	0.0	6.8	6.0	0.7	0.9	-0.2

Note: The following relationships hold approximately:
column (1) + column (2) = column (3)
column (3) - column (4) = column (5)
column (5) - column (6) = column (7)

p = preliminary.
1/ Effect of the change in average social security and federal income tax rates for a married worker with 3 dependents who earned the average weekly earnings.
2/ Married workers with 3 dependents who earned the average weekly earnings.
3/ Less than 0.05.

Table 2. Earnings of production or nonsupervisory workers on total private nonagricultural payrolls, seasonally adjusted

Series	1976											1977	
	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.^{p}	Feb.^{p}
Gross average hourly earnings:													
Current dollars	$4.75	$4.77	$4.79	$4.84	$4.85	$4.88	$4.91	$4.92	$4.95	$5.00	$5.02	$5.05	$5.07
1967 dollars	2.84	2.84	2.84	2.86	2.85	2.85	2.86	2.85	2.86	2.88	2.88	2.88	2.86
Hourly earnings index[1] (1967=100):													
Current dollars	180.3	181.1	182.1	183.3	184.0	185.2	186.4	187.2	188.2	189.4	190.4	192.1	192.2
1967 dollars	107.8	108.0	108.1	108.1	108.1	108.3	108.5	108.6	108.8	109.2	109.3	109.4	108.4
Gross average weekly earnings:													
Current dollars	$172.90	$172.67	$172.92	$175.69	$175.09	$176.17	$177.25	$177.12	$178.70	$181.00	$181.72	$181.30	$184.55
1967 dollars	103.35	102.96	102.68	103.65	102.87	103.02	103.17	102.74	103.29	104.32	104.32	103.25	104.09
Spendable average weekly earnings[2]:													
Current dollars	153.91	153.73	153.93	156.05	155.60	156.41	157.22	157.13	158.31	160.04	160.58	160.27	162.71
1967 dollars	92.00	91.67	91.41	92.06	91.42	91.47	91.51	91.14	91.51	92.24	92.18	91.27	91.77

[1] See footnote 1, table 1.

[2] Calculated for married worker with 3 dependents who earned the average weekly earnings.

p = preliminary

Table 3. Percentage change[1] over the year in earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

February 1976 — February 1977

Industry	Hourly earnings index [2] (1967 = 100)		Gross average weekly earnings		Spendable average weekly earnings [3]			
					Married worker with 3 dependents		Worker with no dependents	
	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars
TOTAL PRIVATE	6.6	0.6	6.8	0.7	5.7	-0.2	5.9	(4)
Mining	8.0	1.9	7.7	1.6	6.9	.9	7.0	0.9
Contract construction	5.8	-.2	5.6	-.3	5.1	-.9	5.1	-.8
Manufacturing	7.0	1.0	8.1	2.0	7.0	.9	7.4	1.4
Transportation and public utilities	5.5	-.4	7.8	1.7	7.1	1.1	7.9	1.0
Wholesale and retail trade	7.1	1.1	6.2	.2	4.9	-1.0	5.5	-.4
Finance, insurance, and real estate	3.2	-2.6	3.5	-2.4	3.0	-2.8	3.1	-2.7
Services	6.7	.7	7.0	1.0	5.2	-.8	6.3	.3

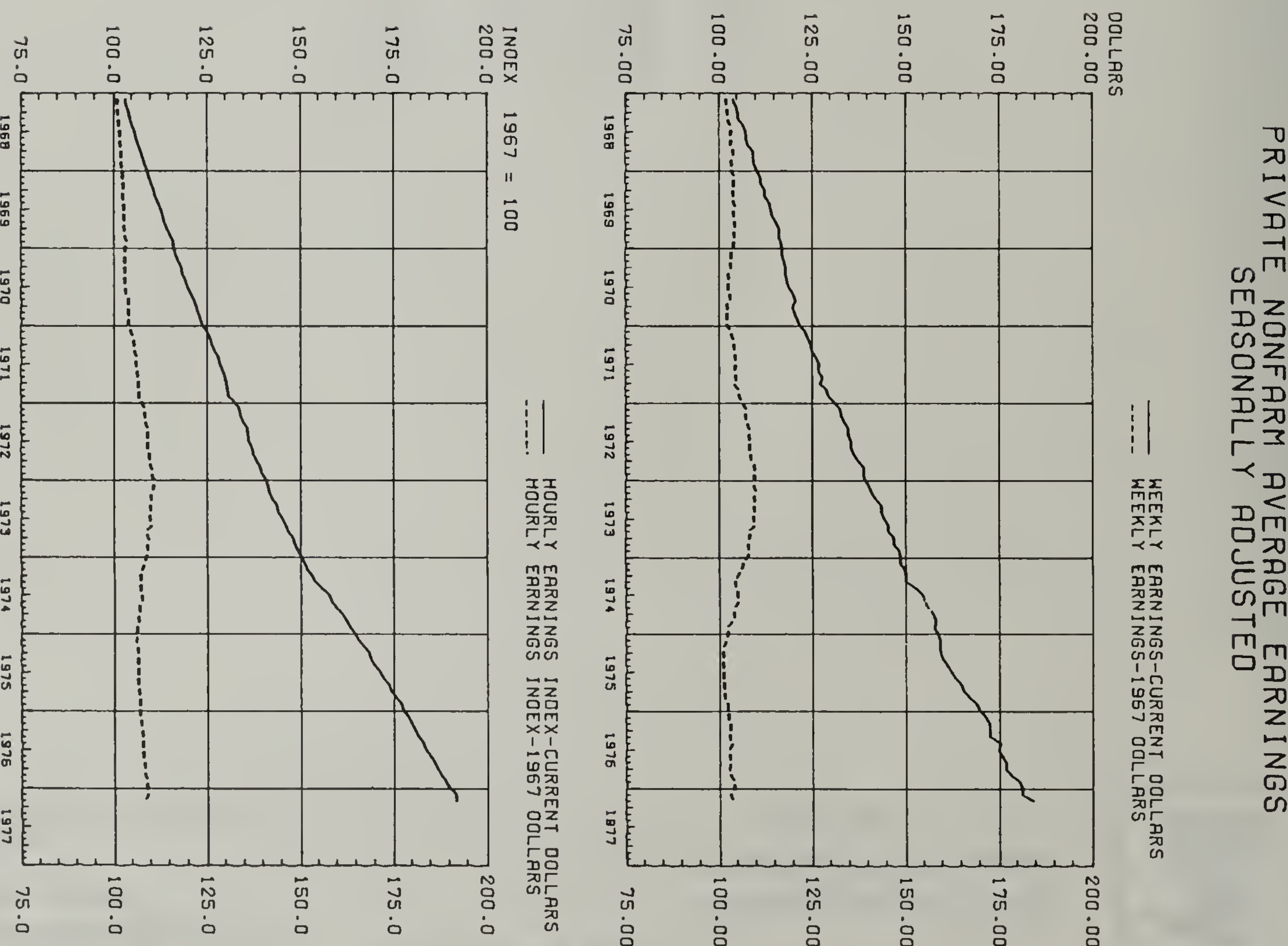
NOTE: Percentage change over the year in the Consumer Price Index (all items, 1967 = 100) 6.0

[1] Based on preliminary data for the current month. Hourly earnings index changes are based on seasonally adjusted data. Gross and weekly changes are based on data that are not seasonally adjusted.

[2] See footnote 1, table 1

[3] Calculated for workers who earned the average weekly earnings

[4] Less than 0.05 percent.



NOTE: Data for two most recent months are preliminary.

Over the year, real spendable earnings decreased 0.2 percent as an increase in the tax effect more than offset a 0.7 percent increase in real gross average weekly earnings.

The Hourly Earnings Index in dollars of constant purchasing power decreased 0.9 percent from January. Compared with a year ago, the index was up 0.6 percent. (See tables 2 and 3.) The index excludes the effects of overtime in manufacturing and of interindustry shifts, such as the shift of workers between high-wage and low-wage industries.

Spendable earnings are calculated by taking the average weekly pay for all production or nonsupervisory jobs, both full-time and part-time, and then deducting social security and Federal income taxes applicable to a single worker or to a married worker with three dependents who made this amount.

Real spendable earnings, or purchasing power, represents the buying power of the spendable earnings of a worker earning the average pay and with the applicable deductions, after allowance for price changes from the 1967 base period, that is, adjustment by the Consumer Price Index.

The earnings series from which spendable and real spendable earnings are derived—gross average weekly earnings—is an arithmetic average of the earnings of all production or nonsupervisory jobs, including part-time jobs. Therefore, it is less than the average weekly earnings of full-time wage earners. It should be noted that the series on spendable earnings represents only the average earnings for those rank-and-file workers whose weekly pay approximates the averages indicated. The actual earnings level of married workers with three dependents tends to be higher than the average figures given above, since married workers with three dependents are generally older and more experienced and thus likely to command higher hourly wage rates and work more hours. Month-to-month and year-to-year changes in actual spendable earnings for this worker might also differ from the average estimates presented in this release.

The hourly earnings index is designed to measure underlying wage movements for production or nonsupervisory workers in the private nonfarm economy. It is adjusted to exclude the effects of two types of changes that are not related to underlying wage rate developments: overtime in manufacturing (the only sector for which overtime data are available) and interindustry employment shifts, such as shifts of workers between high-wage and low-wage industries.

Seasonally adjusted data are preferred by some users for analyzing general earnings trends in the economy since they eliminate the effect of changes that normally occur at the same time and in about the same magnitude each year and, therefore, reveal the underlying cyclical trends. These changes in average earnings may be due to seasonal changes in the proportion of workers in high-wage and low-wage industries or occupations, or to seasonal changes in the amount of overtime work, and so on. The seasonally adjusted data are presented in table 2.

For a comprehensive discussion of the spendable earnings series and hourly earnings index, and their relation to other wage data, see the following articles: Jack Alterman, "Compensation per Man-Hour and Take Home Pay," *Monthly Labor Review*, June 1971; Thomas Gavett, "Measures of Change in Real Wages and Earnings," *Monthly Labor Review*, February 1972, Norman Samuels, "Developing a General Wage Index," *Monthly Labor Review*, March 1971; Paul Schwab, "Two Measures of Purchasing Power Contrasted," *Monthly Labor Review*, April 1971; and Eric Dmytrow and Janet Grimes, "Changes in the Spendable Earnings Series for 1976: Effects of the Tax Adjustment Act of 1975 and the Social Security Tax Base Change," Employment and Earnings, March 1976.

The Bureau of Labor Statistics also publishes a set of series on annual after-tax earnings which are derived from the Current Population Survey. These data reflect the actual annual earnings of heads of households with various sizes and compositions. They are discussed in detail by Paul M. Ryscavage in the article, "Annual Earnings of Household Heads," *Monthly Labor Review*, August 1975. Current data are in the press release "Real After Tax Annual Earnings of Household Heads in Production and Nonsupervisory Jobs, 1974."

Table 1. Earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

Industry	Gross average hourly earnings			Hourly earnings index [1] (1967 = 100)			Gross average weekly earnings			Spendable average weekly earnings [2]					
										Married worker with 3 dependents			Worker with no dependents		
	Feb. 1976	Jan. 1977p	Feb. 1977p	Feb. 1976	Jan. 1977p	Feb. 1977p	Feb. 1976	Jan. 1977p	Feb. 1977p	Feb. 1976	Jan. 1977p	Feb. 1977p	Feb. 1976	Jan. 1977p	Feb. 1977p
TOTAL PRIVATE: [3]															
Current dollars	$4.74	$5.05	$5.06	180.8	192.7	192.6	$170.64	$179.28	$182.16	$152.17	$158.75	$160.91	$139.83	$146.06	$148.14
1967 dollars	2.84	2.88	2.86	108.2	109.9	108.8	102.12	102.27	102.86	91.07	90.56	90.86	83.68	83.32	83.65
Mining:															
Current dollars	6.29	6.75	6.71	193.9	209.5	209.4	268.58	282.15	289.20	226.60	236.96	242.30	211.04	220.74	225.75
1967 dollars	3.76	3.85	3.79	116.1	119.5	118.2	160.73	160.95	163.30	135.61	135.17	136.82	126.30	125.92	127.47
Contract construction:															
Current dollars	7.47	7.97	7.87	179.0	191.3	189.4	272.66	268.59	288.04	229.75	226.60	241.42	213.96	211.05	224.95
1967 dollars	4.47	4.55	4.44	107.1	109.1	107.0	163.17	153.22	162.64	137.49	129.26	136.32	128.04	120.39	127.02
Manufacturing:															
Current dollars	5.04	5.45	5.42	180.1	193.0	192.8	201.10	213.64	217.34	175.15	184.57	187.35	161.80	171.07	173.84
1967 dollars	3.02	3.11	3.06	107.8	110.1	108.9	120.35	121.87	122.72	104.82	105.29	105.79	96.83	97.59	98.16
Transportation and public utilities:															
Current dollars	6.29	6.65	6.68	194.5	204.4	205.2	248.46	264.67	267.87	211.06	223.57	226.05	196.66	208.25	210.54
1967 dollars	3.76	3.79	3.77	116.4	116.6	115.9	148.69	150.98	151.25	126.31	127.54	127.64	117.69	118.80	118.88
Wholesale and retail trade:															
Current dollars	3.90	4.16	4.18	174.4	186.1	186.8	130.26	136.86	138.36	122.64	127.61	128.63	109.73	114.69	115.82
1967 dollars	2.33	2.37	2.36	104.4	106.2	105.5	77.95	78.07	78.13	73.39	72.80	72.63	65.67	65.42	65.40
Finance, insurance, and real estate:															
Current dollars	4.33	4.50	4.48	169.5	176.3	174.9	158.91	166.05	164.42	143.12	148.63	147.37	131.26	136.52	135.34
1967 dollars	2.59	2.57	2.53	101.4	100.6	98.8	95.10	94.72	92.84	85.65	84.79	83.21	78.55	77.88	76.42
Services:															
Current dollars	4.29	4.58	4.59	185.6	197.9	198.0	143.72	152.51	153.77	132.29	138.28	139.13	119.85	126.45	127.40
1967 dollars	2.57	2.61	2.59	111.1	112.9	111.8	86.01	87.00	86.83	79.17	78.88	78.56	71.72	72.13	71.94

[1] Adjusted for overtime (manufacturing only) and interindustry employment shifts.

[2] Spendable earnings are calculated by deducting social security and Federal income taxes applicable to the gross average weekly earnings of all production or nonsupervisory workers. A technical note on the calculation and uses of the spendable earnings series is available on request.

[3] Data relate to production and related workers in mining and manufacturing, construction workers in contract construction, and nonsupervisory workers in transportation and public utilities, trade, finance, insurance, and real estate, and services. Included in this group are approximately four-fifths of all workers on private industry payrolls.

p=preliminary.

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(E.D.T.), Tuesday, June 21, 1977

REAL EARNINGS IN MAY 1977

Preliminary real earnings figures for May--covering full-time and part-time workers on production or nonsupervisory jobs in the private nonfarm sector of the American economy--were released today by the Bureau of Labor Statistics of the U.S. Department of Labor. (Real earnings--or earnings in constant dollars--are calculated by adjusting earnings in current dollars for changes in the Consumer Price Index.)

*Real gross average weekly earnings increased 0.2 percent from April to May after allowance for the usual seasonal variation. A 0.6 percent increase in average hourly earnings was offset by a 0.6 percent increase in the Consumer Price Index; however, average weekly hours increased 0.3 percent. (See table A.)

Over the year, real average weekly earnings were up 0.7 percent. Average weekly hours remained unchanged and average hourly earnings increased 7.5 percent, more than counteracting a 6.7 percent rise in the Consumer Price Index. (Before adjustment for the increase in the Consumer Price Index and seasonal change, average weekly earnings were $187.36 in May, compared with $174.36 a year earlier. See table 1.)

*Real spendable earnings--average real weekly pay of all workers reduced by Social Security and Federal income tax rates applicable to a married worker with three dependents who earned the average amount--increased 0.1 percent from the April level, seasonally adjusted. This increase was due to the 0.2 percent increase in real gross average weekly earnings which was offset by the 0.1 percent increase in the tax effect.

Over the year, real spendable earnings decreased 0.4 percent as an increase in the tax effect more than offset a 0.7 percent increase in real gross average weekly earnings.

Table A. Composition of change in real earnings (production or nonsupervisory workers on private nonfarm payrolls)

Month	(1) Average hourly earnings	(2) Average weekly hours	(3) Average weekly earnings	(4) Consumer price index	(5) Real average weekly earnings	(6) Average tax effect 1/	(7) Real spendable earnings 2/
	Percent change from preceding month, seasonally adjusted						
1976							
May	1.0	0.6	1.6	0.7	0.9	0.2	0.7
June	0.2	-0.6	-0.3	0.4	-0.8	-0.1	-0.7
July	0.6	0.0	0.6	0.5	0.1	0.1	0.1
Aug.	0.6	0.0	0.6	0.5	0.1	0.1	3/
Sept.	0.2	-0.3	-0.1	0.3	-0.4	3/	-0.4
Oct.	0.6	0.3	0.9	0.3	0.5	0.1	0.4
Nov.	1.0	0.3	1.3	0.3	1.0	0.2	0.8
Dec.	0.4	0.0	0.4	0.4	0.0	0.1	-0.1
1977							
Jan.	1.0	-1.1	-0.1	0.8	-0.9	3/	-0.9
Feb.	0.4	1.4	1.8	1.0	0.8	0.3	0.5
March	0.6	0.0	0.6	0.6	3/	0.1	-0.1
April p	1.0	-0.3	0.7	0.8	-0.1	0.1	-0.2
May p	0.6	0.3	0.9	0.6	0.2	0.1	0.1
	Percent change from same month a year ago						
1976							
May	7.8	0.8	8.7	6.2	2.4	1.9	0.4
June	7.5	0.3	7.8	5.9	1.8	1.8	3/
July	7.3	0.5	7.9	5.4	2.3	1.8	0.5
Aug.	7.0	0.0	7.0	5.6	1.3	1.7	-0.4
Sept.	6.9	-0.3	6.6	5.5	1.0	1.7	-0.7
Oct.	6.9	0.0	6.9	5.3	1.5	1.7	-0.2
Nov.	6.8	-0.3	6.5	5.0	1.5	1.7	-0.2
Dec.	7.0	-0.3	6.7	4.8	1.8	1.7	0.1
1977							
Jan.	7.4	-1.7	5.6	5.2	0.4	0.8	-0.3
Feb.	7.4	-0.3	7.1	6.0	1.0	1.0	3/
March	7.4	0.3	7.7	6.4	1.2	1.1	0.1
April p	7.7	0.3	8.0	6.8	1.2	1.1	3/
May p	7.5	0.0	7.5	6.7	0.7	1.1	-0.4

Note: The following relationships hold approximately:

column (1) + column (2) = column (3)
column (3) - column (4) = column (5)
column (5) - column (6) = column (7)

p = preliminary.

1/ Effect of the change in average social security and federal income tax rates for a married worker with 3 dependents who earned the average weekly earnings.

2/ Married workers with 3 dependents who earned the average weekly earnings.

3/ Less than 0.05.

*The Hourly Earnings Index in dollars of constant purchasing power decreased 0.1 percent from April. Compared with a year ago, the index was up 0.1 percent. (See tables 2 and 3.) The index excludes the effects of overtime in manufacturing and of interindustry shifts, such as the shift of workers between high-wage and low-wage industries.

Spendable earnings are calculated by taking the average weekly pay for all production or nonsupervisory jobs, both full-time and part-time, and then deducting social security and Federal income taxes applicable to a single worker or to a married worker with three dependents who made this amount.

Real spendable earnings, or purchasing power, represents the buying power of the spendable earnings of a worker earning the average pay and with the applicable deductions, after allowance for price changes from the 1967 base period, that is, adjustment by the Consumer Price Index.

The earnings series from which spendable and real spendable earnings are derived—gross average weekly earnings—is an arithmetic average of the earnings of all production or nonsupervisory jobs, including part-time jobs. Therefore, it is less than the average weekly earnings of full-time wage earners. It should be noted that the series on spendable earnings represents only the average earnings for those rank-and-file workers whose weekly pay approximates the averages indicated. The actual earnings level of married workers with three dependents tends to be higher than the average figures given above, since married workers with three dependents are generally older and more experienced and thus likely to command higher hourly wage rates and work more hours. Month-to-month and year-to-year changes in actual spendable earnings for this worker might also differ from the average estimates presented in this release.

The hourly earnings index is designed to measure underlying wage movements for production or nonsupervisory workers in the private nonfarm economy. It is adjusted to exclude the effects of two types of changes that are not related to underlying wage rate developments: overtime in manufacturing (the only sector for which overtime data are available) and interindustry employment shifts, such as shifts of workers between high-wage and low-wage industries.

Seasonally adjusted data are preferred by some users for analyzing general earnings trends in the economy since they eliminate the effect of changes that normally occur at the same time and in about the same magnitude each year and, therefore, reveal the underlying cyclical trends. These changes in average earnings may be due to seasonal changes in the proportion of workers in high-wage and low-wage industries or occupations, or to seasonal changes in the amount of overtime work, and so on. The seasonally adjusted data are presented in table 2.

For a comprehensive discussion of the spendable earnings series and hourly earnings index, and their relation to other wage data, see the following articles: Jack Alterman, "Compensation per Man-Hour and Take Home Pay," *Monthly Labor Review,* June 1971; Thomas Gavett, "Measures of Change in Real Wages and Earnings," *Monthly Labor Review,* February 1972; Norman Samuels, "Developing a General Wage Index," *Monthly Labor Review,* March 1971; Paul Schwab, "Two Measures of Purchasing Power Contrasted," *Monthly Labor Review,* April 1971; and Eric Dmytrow and Janet Grimes, "Changes in the Spendable Earnings Series for 1976: Effects of the Tax Adjustment Act of 1975 and the Social Security Tax Base Change," Employment and Earnings, March 1976.

The Bureau of Labor Statistics also publishes a set of series on annual after-tax earnings which are derived from the Current Population Survey. These data reflect the actual annual earnings of heads of households with various sizes and compositions. They are discussed in detail by Paul M. Ryscavage in the article, "Annual Earnings of Household Heads," *Monthly Labor Review,* August 1975. Current data are in the press release "Real After Tax Annual Earnings of Household Heads in Production and Nonsupervisory Jobs, 1974."

Table 1. Earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

Industry	Gross average hourly earnings			Hourly earnings index [1] (1967 = 100)			Gross average weekly earnings			Spendable average weekly earnings [2]					
										Married worker with 3 dependents			Worker with no dependents		
	May 1976	Apr. 1977p	May 1977p	May 1976	Apr. 1977p	May 1977p	May 1976	Apr. 1977p	May 1977p	May 1976	Apr. 1977p	May 1977p	May 1976	Apr. 1977p	May 1977p
TOTAL PRIVATE: [3]															
Current dollars	$4.83	$5.15	$5.19	183.5	195.0	196.2	$174.36	$184.89	$187.36	$155.04	$162.96	$164.82	$142.51	$150.11	$151.89
1967 dollars	2.85	2.87	2.87	108.5	108.6	108.6	103.05	102.95	103.74	91.63	90.73	91.26	84.23	83.58	84.10
Mining:															
Current dollars	6.35	6.82	6.80	196.8	212.3	211.9	269.88	299.40	296.48	227.60	250.02	247.81	211.97	232.43	230.53
1967 dollars	3.75	3.80	3.77	116.3	118.2	117.3	159.50	166.70	164.16	134.52	139.21	137.21	125.28	129.42	127.65
Contract construction:															
Current dollars	7.61	7.87	7.88	184.7	190.7	191.7	283.09	290.40	293.92	237.67	243.21	245.87	221.41	226.55	228.86
1967 dollars	4.50	4.38	4.36	109.1	106.2	106.1	167.31	161.69	162.75	140.47	135.42	136.14	130.86	126.14	126.72
Manufacturing:															
Current dollars	5.12	5.52	5.57	182.4	195.4	196.8	205.82	220.80	224.47	178.69	189.95	192.71	165.22	176.42	179.15
1967 dollars	3.03	3.07	3.08	107.8	108.8	108.9	121.64	122.94	124.29	105.61	105.76	106.71	97.65	98.23	99.20
Transportation and public utilities:															
Current dollars	6.39	6.78	6.80	196.9	207.4	207.8	252.41	271.20	273.36	214.09	228.62	230.29	199.49	212.92	214.46
1967 dollars	3.78	3.78	3.77	116.4	115.5	115.1	149.18	151.00	151.36	126.53	127.29	127.51	117.90	118.55	118.75
Wholesale and retail trade:															
Current dollars	3.95	4.23	4.24	177.6	190.0	190.8	132.33	140.01	140.77	124.49	129.76	130.27	111.29	117.06	117.63
1967 dollars	2.33	2.36	2.35	105.0	105.8	105.7	78.21	77.96	77.95	73.58	72.25	72.13	65.77	65.18	65.13
Finance, insurance, and real estate:															
Current dollars	4.36	4.54	4.58	170.5	177.5	179.3	160.01	166.62	168.09	143.97	149.07	150.20	132.09	136.93	137.99
1967 dollars	2.58	2.53	2.54	100.7	98.9	99.3	94.57	92.77	93.07	85.09	83.00	83.17	78.07	76.24	76.41
Services:															
Current dollars	4.34	4.64	4.67	187.6	199.4	201.1	144.96	154.51	155.51	133.13	139.71	140.49	120.78	127.95	128.71
1967 dollars	2.57	2.58	2.59	110.8	111.0	111,3	85.67	86.03	86,11	78.68	77.79	77.79	71.38	71.24	71.27

[1] Adjusted for overtime (manufacturing only) and interindustry employment shifts.

[2] Spendable earnings are calculated by deducting social security and Federal income taxes applicable to the gross average weekly earnings of all production or nonsupervisory workers. A technical note on the calculation and uses of the spendable earnings series is available on request.

[3] Data relate to production and related workers in mining and manufacturing; construction workers in contract construction; and nonsupervisory workers in transportation and public utilities, trade, finance, insurance, and real estate, and services. Included in this group are approximately four-fifths of all workers on private industry payrolls.

p=preliminary.

Table 2. Earnings of production or nonsupervisory workers on total private nonagricultural payrolls, seasonally adjusted

Series	1976								1977				
	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.^{p}	May^p
Gross average hourly earnings:													
Current dollars	$4.84	$4.85	$4.88	$4.91	$4.92	$4.95	$5.00	$5.02	$5.07	$5.09	$5.12	$5.17	$5.20
1967 dollars	2.86	2.85	2.85	2.86	2.85	2.86	2.88	2.88	2.89	2.87	2.87	2.88	2.87
Hourly earnings index[1] (1967=100):													
Current dollars	183.6	184.3	185.6	186.8	187.5	188.4	189.7	190.6	192.7	193.2	194.1	195.3	196.3
1967 dollars	108.3	108.3	108.5	108.7	108.7	108.9	109.3	109.4	109.7	109.0	108.8	108.6	108.5
Gross average weekly earnings:													
Current dollars	$175.69	$175.09	$176.17	$177.25	$177.12	$178.70	$181.00	$181.72	$181.51	$184.77	$185.86	$187.15	$188.76
1967 dollars	103.65	102.87	103.02	103.17	102.74	103.29	104.32	104.32	103.37	104.21	104.18	104.09	104.34
Spendable average weekly earnings[2]:													
Current dollars	156.05	155.60	156.41	157.22	157.13	158.31	160.04	160.58	160.42	162.87	163.69	164.66	165.87
1967 dollars	92.06	91.42	91.47	91.51	91.14	91.51	92.24	92.18	91.36	91.86	91.75	91.58	91.69

[1] See footnote 1, table 1.
[2] Calculated for married worker with 3 dependents who earned the average weekly earnings.
p = preliminary.

Table 3. Percentage change[1] over the year in earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

May 1976— May 1977

Industry	Hourly earnings index[2] (1967 = 100)		Gross average weekly earnings		Spendable average weekly earnings[3]			
					Married worker with 3 dependents		Worker with no dependents	
	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars
TOTAL PRIVATE	6.9	0.1	7.5	0.7	6.3	-0.4	6.6	-0.2
Mining	7.7	.9	9.9	2.9	8.9	2.0	8.8	1.9
Contract construction	3.8	-2.7	3.8	-3.1	3.5	-3.1	3.4	-3.2
Manufacturing	7.9	1.1	9.1	2.2	7.8	1.0	8.4	1.6
Transportation and public utilities	5.5	-1.1	8.3	1.5	7.6	.8	7.5	.7
Wholesale and retail trade	7.4	.7	6.4	-.3	4.6	-2.0	5.7	-1.0
Finance, insurance, and real estate	5.2	-1.5	5.0	-1.6	4.3	-2.3	4.5	-2.1
Services	7.2	.4	7.3	.5	5.5	-1.1	6.6	-.2

NOTE: Percentage change over the year in the Consumer Price Index (all items, 1967 = 100) 6.7

[1] Based on preliminary data for the current month. Hourly earnings index changes are based on seasonally adjusted data. Gross and weekly changes are based on data that are not seasonally adjusted.
[2] See footnote 1, table 1.
[3] Calculated for workers who earned the average weekly earnings.

Table 1. Earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

Industry	Gross average hourly earnings			Hourly earnings index [1] (1967 = 100)			Gross average weekly earnings			Spendable average weekly earnings [2]					
										Married worker with 3 dependents			Worker with no dependents		
	May 1976	Apr. 1977p	May 1977p	May 1976	Apr. 1977p	May 1977p	May 1976	Apr. 1977p	May 1977p	May 1976	Apr. 1977p	May 1977p	May 1976	Apr. 1977p	May 1977p
TOTAL PRIVATE: [3]															
Current dollars	$4.83	$5.15	$5.19	183.5	195.0	196.2	$174.36	$184.89	$187.36	$155.04	$162.96	$164.82	$142.51	$150.11	$151.89
1967 dollars	2.85	2.87	2.87	108.5	108.6	108.6	103.05	102.95	103.74	91.63	90.73	91.26	84.23	83.58	84.10
Mining:															
Current dollars	6.35	6.82	6.80	196.8	212.3	211.9	269.88	299.40	296.48	227.60	250.02	247.81	211.97	232.43	230.53
1967 dollars	3.75	3.80	3.77	116.3	118.2	117.3	159.50	166.70	164.16	134.52	139.21	137.21	125.28	129.42	127.65
Contract construction:															
Current dollars	7.61	7.87	7.88	184.7	190.7	191.7	283.09	290.40	293.92	237.67	243.21	245.87	221.41	226.55	228.86
1967 dollars	4.50	4.38	4.36	109.1	106.2	106.1	167.31	161.69	162.75	140.47	135.42	136.14	130.86	126.14	126.72
Manufacturing:															
Current dollars	5.12	5.52	5.57	182.4	195.4	196.8	205.82	220.80	224.47	178.69	189.95	192.71	165.22	176.42	179.15
1967 dollars	3.03	3.07	3.08	107.8	108.8	108.9	121.64	122.94	124.29	105.61	105.76	106.71	97.65	98.23	99.20
Transportation and public utilities:															
Current dollars	6.39	6.78	6.80	196.9	207.4	207.8	252.41	271.20	273.36	214.09	228.62	230.29	199.49	212.92	214.46
1967 dollars	3.78	3.78	3.77	116.4	115.5	115.1	149.18	151.00	151.36	126.53	127.29	127.51	117.90	118.55	118.75
Wholesale and retail trade:															
Current dollars	3.95	4.23	4.24	177.6	190.0	190.8	132.33	140.01	140.77	124.49	129.76	130.27	111.29	117.06	117.63
1967 dollars	2.33	2.36	2.35	105.0	105.8	105.7	78.21	77.96	77.95	73.58	72.25	72.13	65.77	65.18	65.13
Finance, insurance, and real estate:															
Current dollars	4.36	4.54	4.58	170.5	177.5	179.3	160.01	166.62	168.09	143.97	149.07	150.20	132.09	136.93	137.99
1967 dollars	2.58	2.53	2.54	100.7	98.9	99.3	94.57	92.77	93.07	85.09	83.00	83.17	78.07	76.24	76.41
Services:															
Current dollars	4.34	4.64	4.67	187.6	199.4	201.1	144.96	154.51	155.51	133.13	139.71	140.49	120.78	127.95	128.71
1967 dollars	2.57	2.58	2.59	110.8	111.0	111.3	85.67	86.03	86.11	78.68	77.79	77.79	71.38	71.24	71.27

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[1] Adjusted for overtime (manufacturing only) and interindustry employment shifts.

[2] Spendable earnings are calculated by deducting social security and Federal income taxes applicable to the gross average weekly earnings of all production or nonsupervisory workers. A technical note on the calculation and uses of the spendable earnings series is available on request.

[3] Data relate to production and related workers in mining and manufacturing; construction workers in contract construction; and nonsupervisory workers in transportation and public utilities, trade, finance, insurance, and real estate, and services. Included in this group are approximately four-fifths of all workers on private industry payrolls.

p=preliminary.

Table 2. Earnings of production or nonsupervisory workers on total private nonagricultural payrolls, seasonally adjusted

Series	1976								1977				
	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.^p	May^p
Gross average hourly earnings:													
Current dollars	$4.84	$4.85	$4.88	$4.91	$4.92	$4.95	$5.00	$5.02	$5.07	$5.09	$5.12	$5.17	$5.20
1967 dollars	2.86	2.85	2.85	2.86	2.85	2.86	2.88	2.88	2.89	2.87	2.87	2.88	2.87
Hourly earnings index[1] (1967=100):													
Current dollars	183.6	184.3	185.6	186.8	187.5	188.4	189.7	190.6	192.7	193.2	194.1	195.3	196.3
1967 dollars	108.3	108.3	108.5	108.7	108.7	108.9	109.3	109.4	109.7	109.0	108.8	108.6	108.5
Gross average weekly earnings:													
Current dollars	$175.69	$175.09	$176.17	$177.25	$177.12	$178.70	$181.00	$181.72	$181.51	$184.77	$185.86	$187.15	$188.76
1967 dollars	103.65	102.87	103.02	103.17	102.74	103.29	104.32	104.32	103.37	104.21	104.18	104.09	104.34
Spendable average weekly earnings[2]:													
Current dollars	156.05	155.60	156.41	157.22	157.13	158.31	160.04	160.58	160.42	162.87	163.69	164.66	165.87
1967 dollars	92.06	91.42	91.47	91.51	91.14	91.51	92.24	92.18	91.36	91.86	91.75	91.58	91.69

[1] See footnote 1, table 1.

[2] Calculated for married worker with 3 dependents who earned the average weekly earnings.

p = preliminary.

Table 3. Percentage change[1] over the year in earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

May 1976— May 1977

Industry	Hourly earnings index[2] (1967 = 100)		Gross average weekly earnings		Spendable average weekly earnings[3]			
					Married worker with 3 dependents		Worker with no dependents	
	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars
TOTAL PRIVATE	6.9	0.1	7.5	0.7	6.3	-0.4	6.6	-0.2
Mining	7.7	.9	9.9	2.9	8.9	2.0	8.8	1.9
Contract construction	3.8	-2.7	3.8	-3.1	3.5	-3.1	3.4	-3.2
Manufacturing	7.9	1.1	9.1	2.2	7.8	1.0	8.4	1.6
Transportation and public utilities	5.5	-1.1	8.3	1.5	7.6	.8	7.5	.7
Wholesale and retail trade	7.4	.7	6.4	-.3	4.6	-2.0	5.7	-1.0
Finance, insurance, and real estate	5.2	-1.5	5.0	-1.6	4.3	-2.3	4.5	-2.1
Services	7.2	.4	7.3	.5	5.5	-1.1	6.6	-.2

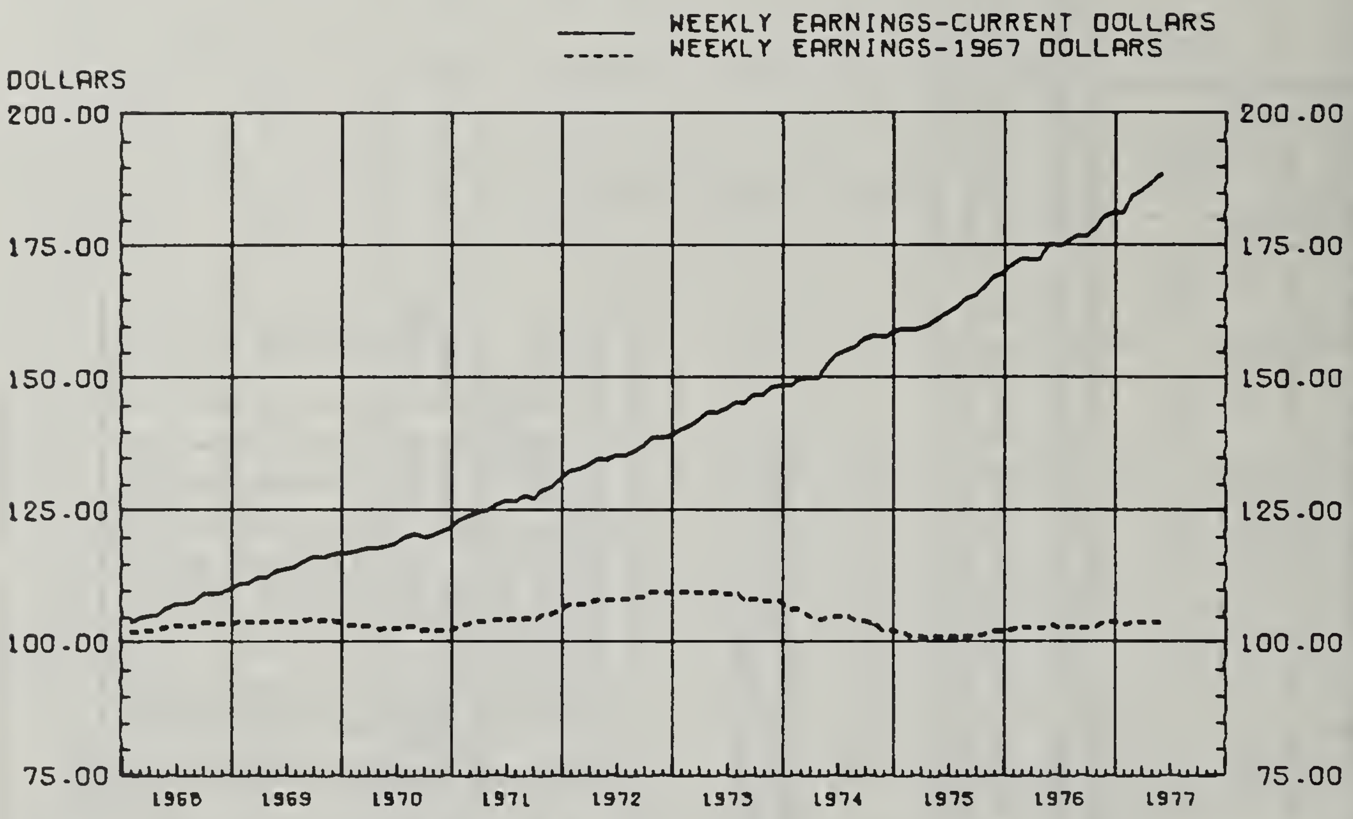
NOTE: Percentage change over the year in the Consumer Price Index (all items, 1967 = 100) 6.7

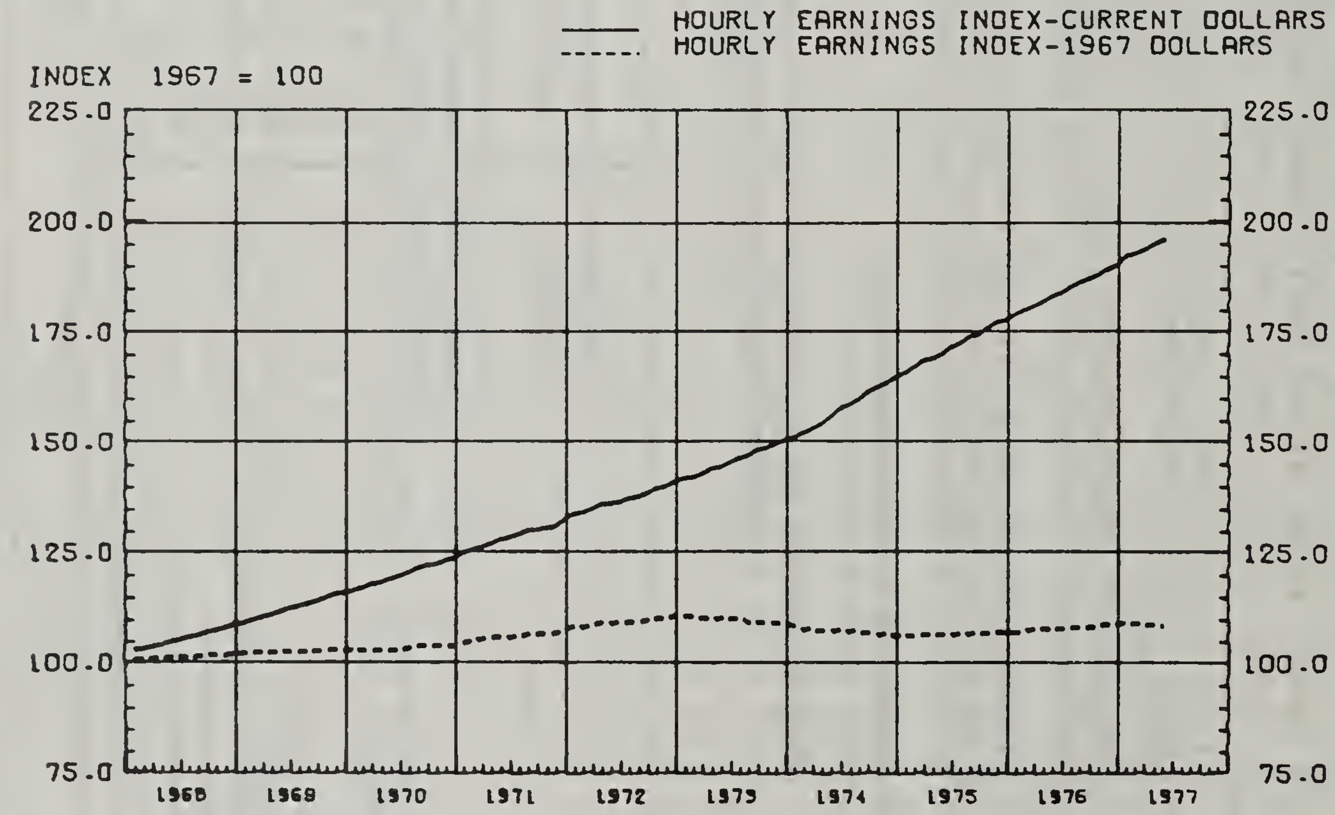
[1] Based on preliminary data for the current month. Hourly earnings index changes are based on seasonally adjusted data. Gross and weekly changes are based on data that are not seasonally adjusted.

[2] See footnote 1, table 1.

[3] Calculated for workers who earned the average weekly earnings.

PRIVATE NONFARM AVERAGE EARNINGS
SEASONALLY ADJUSTED





NOTE: Data for two most recent months are preliminary.

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(E.D.T.), Friday, August 19, 1977

REAL EARNINGS IN JULY 1977

Preliminary real earnings figures for July--covering full-time and part-time workers on production or nonsupervisory jobs in the private nonfarm sector of the American economy--were released today by the Bureau of Labor Statistics of the U.S. Department of Labor. (Real earnings--or earnings in constant dollars--are calculated by adjusting earnings in current dollars for changes in the Consumer Price Index.)

*Real gross average weekly earnings decreased 0.1 percent from June to July after allowance for the usual seasonal variation. A 0.4 percent increase in the Consumer Price Index combined with a 0.3 percent decrease in average weekly hours offset the 0.6 percent increase in average hourly earnings. (See table A.)

Over the year, real average weekly earnings were up 0.6 percent. Average hourly earnings increased 7.6 percent, counteracting a 0.3 percent decrease in average weekly hours and a 6.7 percent rise in the Consumer Price Index. (Before adjustment for the increase in the Consumer Price Index and seasonal change, average weekly earnings were $190.90 in July, compared with $177.88 a year earlier. See table 1.)

*Real spendable earnings--average real weekly pay of all workers reduced by Social Security and Federal income tax rates applicable to a married worker with three dependents who earned the average amount--decreased 0.1 percent from the June level, seasonally adjusted. This decrease was due to the 0.1 percent decline in real gross average weekly earnings.

Over the year, real spendable earnings increased 3.5 percent as a result of both the 0.6 percent increase in real gross average weekly earnings and the reduction in Federal income taxes which went into effect June 1, 1977.

Table A. Composition of change in real earnings (production or nonsupervisory workers on private nonfarm payrolls)

Month	(1) Average hourly earnings	(2) Average weekly hours	(3) Average weekly earnings	(4) Consumer price index	(5) Real average weekly earnings	(6) Average tax effect 1/	(7) Real spendable earnings 2/
	Percent change from preceding month, seasonally adjusted						
1976							
July	0.6	0.0	0.6	0.5	0.1	0.1	0.1
Aug.	0.6	0.0	0.6	0.5	0.1	0.1	3/
Sept.	0.2	-0.3	-0.1	0.3	-0.4	3/	-0.4
Oct.	0.6	0.3	0.9	0.3	0.5	0.1	0.4
Nov.	1.0	0.3	1.3	0.3	1.0	0.2	0.8
Dec.	0.4	0.0	0.4	0.4	0.0	0.1	-0.1
1977							
Jan.	1.0	-1.1	-0.1	0.8	-0.9	3/	-0.9
Feb.	0.4	1.4	1.8	1.0	0.8	0.3	0.5
March	0.6	0.0	0.6	0.6	3/	0.1	-0.1
April	1.0	-0.3	0.7	0.8	-0.1	0.1	-0.2
May	0.6	0.3	0.9	0.6	0.2	0.1	0.1
June p	0.4	-0.3	0.1	0.6	-0.4	-4.0	3.5
July p	0.6	-0.3	0.3	0.4	-0.1	3/	-0.1
	Percent change from same month a year ago						
1976							
July	7.3	0.5	7.9	5.4	2.3	1.8	0.5
Aug.	7.0	0.0	7.0	5.6	1.3	1.7	-0.4
Sept.	6.9	-0.3	6.6	5.5	1.0	1.7	-0.7
Oct.	6.9	0.0	6.9	5.3	1.5	1.7	-0.2
Nov.	6.8	-0.3	6.5	5.0	1.5	1.7	-0.2
Dec.	7.0	-0.3	6.7	4.8	1.8	1.7	0.1
1977							
Jan.	7.4	-1.7	5.6	5.2	0.4	0.8	-0.3
Feb.	7.4	-0.3	7.1	6.0	1.0	1.0	3/
March	7.4	0.3	7.7	6.4	1.2	1.1	0.1
April	7.7	0.6	8.3	6.8	1.5	1.2	0.3
May	7.5	0.0	7.5	6.7	0.7	1.1	-0.4
June p	7.4	0.0	7.4	6.9	0.5	-2.9	3.4
July p	7.6	-0.3	7.3	6.7	0.6	-2.9	3.5

Note: The following relationships hold approximately:

column (1) + column (2) = column (3)
column (3) - column (4) = column (5)
column (5) - column (6) = column (7)

p = preliminary

1/ Effect of the change in average social security and federal income tax rates for a married worker with 3 dependents who earned the average weekly earnings. The spendable earnings data for the seven month period June-December 1977 are calculated from formulas which reflect the full amount of the tax reductions for the entire year 1977. To compare tax liabilities over the year, these series should be calculated using annual average formulas which reflect the tax reduction over the entire twelve month period.

2/ Workers with 3 dependents who earned the average weekly earnings.

3/ Less than 0.05.

*The Hourly Earnings Index in dollars of constant purchasing power increased 0.2 percent from June. Compared with a year ago, the index increased 0.1 percent. (See tables 2 and 3.) The index excludes the effects of overtime in manufacturing and of interindustry shifts, such as the shift of workers between high-wage and low-wage industries.

Spendable earnings are calculated by taking the average weekly pay for all production or nonsupervisory jobs, both full-time and part-time, and then deducting social security and Federal income taxes applicable to a single worker or to a married worker with three dependents who made this amount.

Real spendable earnings, or purchasing power, represents the buying power of the spendable earnings of a worker earning the average pay and with the applicable deductions, after allowance for price changes from the 1967 base period, that is, adjustment by the Consumer Price Index.

The earnings series from which spendable and real spendable earnings are derived—gross average weekly earnings—is an arithmetic average of the earnings of all production or nonsupervisory jobs, including part-time jobs. Therefore, it is less than the average weekly earnings of full-time wage earners. It should be noted that the series on spendable earnings represents only the average earnings for those rank-and-file workers whose weekly pay approximates the averages indicated. The actual earnings level of married workers with three dependents tends to be higher than the average figures given above, since married workers with three dependents are generally older and more experienced and thus likely to command higher hourly wage rates and work more hours. Month-to-month and year-to-year changes in actual spendable earnings for this worker might also differ from the average estimates presented in this release.

The hourly earnings index is designed to measure underlying wage movements for production or nonsupervisory workers in the private nonfarm economy. It is adjusted to exclude the effects of two types of changes that are not related to underlying wage rate developments: overtime in manufacturing (the only sector for which overtime data are available) and interindustry employment shifts, such as shifts of workers between high-wage and low-wage industries.

Seasonally adjusted data are preferred by some users for analyzing general earnings trends in the economy since they eliminate the effect of changes that normally occur at the same time and in about the same magnitude each year and, therefore, reveal the underlying cyclical trends. These changes in average earnings may be due to seasonal changes in the proportion of workers in high-wage and low-wage industries or occupations, or to seasonal changes in the amount of overtime work, and so on. The seasonally adjusted data are presented in table 2.

For a comprehensive discussion of the spendable earnings series and hourly earnings index, and their relation to other wage data, see the following articles: Jack Alterman, "Compensation per Man-Hour and Take Home Pay," *Monthly Labor Review,* June 1971; Thomas Gavett, "Measures of Change in Real Wages and Earnings," *Monthly Labor Review,* February 1972; Norman Samuels, "Developing a General Wage Index," *Monthly Labor Review,* March 1971; Paul Schwab, "Two Measures of Purchasing Power Contrasted," *Monthly Labor Review,* April 1971; and Eric Dmytrow and Janet Grimes, "Changes in the Spendable Earnings Series for 1976: Effects of the Tax Adjustment Act of 1975 and the Social Security Tax Base Change," Employment and Earnings, March 1976.

The Bureau of Labor Statistics also publishes a set of series on annual after-tax earnings which are derived from the Current Population Survey. These data reflect the actual annual earnings of heads of households with various sizes and compositions. They are discussed in detail by Paul M. Ryscavage in the article, "Annual Earnings of Household Heads," *Monthly Labor Review,* August 1975. Current data are in the press release "Real After Tax Annual Earnings of Household Heads in Production and Nonsupervisory Jobs, 1974."

Table 1. Earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

Industry	Gross average hourly earnings			Hourly earnings index [1] (1967 = 100)			Gross average weekly earnings			Spendable average weekly earnings [2]					
										Married worker with 3 dependents			Worker with no dependents		
	July 1976	June 1977p	July 1977p	July 1976	June 1977p	July 1977p	July 1976	June 1977p	July 1977p	July 1976	June 1977p	July 1977p	July 1976	June 1977p	July 1977p
TOTAL PRIVATE: [3]															
Current dollars	$4.86	$5.21	$5.23	185.2	197.1	198.0	$177.88	$189.64	$190.90	$157.70	$173.21	$174.20	$145.05	$157.17	$158.07
1967 dollars	2.84	2.87	2.86	108.2	108.4	108.4	103.96	104.31	104.55	92.17	95.28	95.40	84.77	86.45	86.57
Mining:															
Current dollars	6.39	6.84	6.81	198.7	213.9	214.6	272.85	305.06	299.64	229.90	259.11	255.34	214.10	234.22	230.69
1967 dollars	3.73	3.76	3.73	116.1	117.1	117.5	159.47	167.80	164.10	134.37	142.52	139.84	125.13	128.83	126.34
Contract construction:															
Current dollars	7.68	7.95	7.97	186.7	193.5	194.3	291.07	297.33	300.47	243.71	253.73	255.92	227.00	229.18	231.23
1967 dollars	4.49	4.37	4.36	109.1	106.4	106.4	170.12	163.55	164.55	142.44	139.57	140.15	132.67	126.06	126.63
Manufacturing:															
Current dollars	5.20	5.60	5.63	184.9	198.0	198.9	208.00	228.48	225.76	180.33	202.61	200.57	166.85	184.52	182.62
1967 dollars	3.04	3.08	3.08	108.0	108.9	108.9	121.57	125.68	123.64	105.39	111.45	109.84	97.52	101.50	100.01
Transportation and public utilities:															
Current dollars	6.46	6.85	6.89	198.7	209.6	210.4	259.69	274.69	279.05	219.72	237.34	240.53	204.69	214.64	217.43
1967 dollars	3.78	3.77	3.77	116.1	115.3	115.2	151.78	151.09	152.82	128.42	130.55	131.73	119.63	118.06	119.07
Wholesale and retail trade:															
Current dollars	3.96	4.26	4.27	178.7	191.4	192.4	136.62	143.14	145.61	127.45	134.77	137.09	114.51	122.55	124.41
1967 dollars	2.31	2.34	2.34	104.4	105.3	105.3	79.85	78.73	79.74	74.49	74.13	75.08	66.93	67.41	68.13
Finance, insurance, and real estate:															
Current dollars	4.36	4.55	4.58	170.5	177.9	179.2	160.01	166.53	168.09	143.97	154.97	156.20	132.09	140.21	141.42
1967 dollars	2.55	2.50	2.51	99.6	97.8	98.1	93.52	91.60	92.05	84.14	85.24	85.54	77.20	77.12	77.45
Services:															
Current dollars	4.32	4.66	4.67	188.3	201.6	202.3	146.88	156.11	158.31	134.44	146.74	148.48	122.22	132.30	133.95
1967 dollars	2.52	2.56	2.56	110.1	110.9	110.8	85.84	85.87	86.70	78.57	80.72	81.31	71.43	72.77	73.36

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[1] Adjusted for overtime (manufacturing only) interindustry employment shifts.

[2] Spendable earnings are calculated by deducting social security and Federal income taxes applicable to the gross average weekly earnings of all production or nonsupervisory workers. The data for spendable earnings for the seven month period June-December 1977 are calculated from formulas which reflect the full amount of the tax reduction for the entire year 1977. To compare tax liabilities over the year, these series should be calculated using annual average formulas which reflect the tax reduction impact spread over the entire twelve month period.

A technical note on the calculation and uses of the spendable earnings series is available on request.

[3] Data relate to production and related workers in mining and manufacturing; construction workers in contract construction; and nonsupervisory workers in transportation and public utilities, trade, finance, insurance, and real estate, and services. Included in this group are approximately four-fifths of all workers on private industry payrolls.

p=preliminary.

Table 2. Earnings of production or nonsupervisory workers on total private nonagricultural payrolls, seasonally adjusted

Series	1976						1977						
	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	JuneP	JulyP
Gross average hourly earnings:													
Current dollars	$4.88	$4.91	$4.92	$4.95	$5.00	$5.02	$5.07	$5.09	$5.12	$5.17	$5.20	$5.22	$5.25
1967 dollars	2.85	2.86	2.85	2.86	2.88	2.88	2.89	2.87	2.87	2.88	2.87	2.87	2.88
Hourly earnings index[1] (1967=100):													
Current dollars	185.6	186.8	187.5	188.4	189.7	190.6	192.7	193.2	194.1	195.3	196.5	197.4	198.5
1967 dollars	108.5	108.7	108.7	108.9	109.3	109.4	109.7	109.0	108.8	108.6	108.6	108.5	108.7
Gross average weekly earnings:													
Current dollars	$176.17	$177.25	$177.12	$178.70	$181.00	$181.72	$181.51	$184.77	$185.86	$187.15	$188.76	$188.96	$189.53
1967 dollars	103.02	103.17	102.74	103.29	104.32	104.32	103.37	104.21	104.18	104.09	104.34	103.88	103.80
Spendable average weekly earnings[2]:													
Current dollars	156.41	157.22	157.13	158.31	160.04	160.58	160.42	162.87	163.69	164.66	165.87	172.67	173.12
1967 dollars	91.47	91.51	91.14	91.51	92.24	92.18	91.36	91.86	91.75	91.58	91.69	94.93	94.81

[1] See footnote 1, table 1.

[2] Calculated for married worker with 3 dependents who earned the average weekly earnings.

p = preliminary.

Table 3. Percentage change[1] over the year in earnings of production or nonsupervisory workers on private nonagricultural payrolls by major industry division

July 1976 — July 1977

Industry	Hourly earnings index[2] (1967 = 100)		Gross average weekly earnings		Spendable average weekly earnings[3]			
					Married worker with 3 dependents		Worker with no dependents	
	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars	Current dollars	1967 dollars
TOTAL PRIVATE	6.9	0.1	7.3	0.6	10.5	3.5	9.0	2.1
Mining	8.0	1.2	9.8	2.9	11.1	4.1	7.7	1.0
Contract construction	4.0	-2.6	3.2	-3.3	5.0	-1.6	1.9	-4.6
Manufacturing	7.6	.8	8.5	1.7	11.2	4.2	9.5	2.6
Transportation and public utilities	5.9	-.8	7.5	.7	9.5	2.6	6.2	-.5
Wholesale and retail trade	7.6	.8	6.6	-.1	7.6	.8	8.6	1.8
Finance, insurance, and real estate	5.1	-1.6	5.0	-1.6	8.5	1.7	7.1	.3
Services	7.4	.6	7.8	1.0	10.4	3.5	9.6	2.7

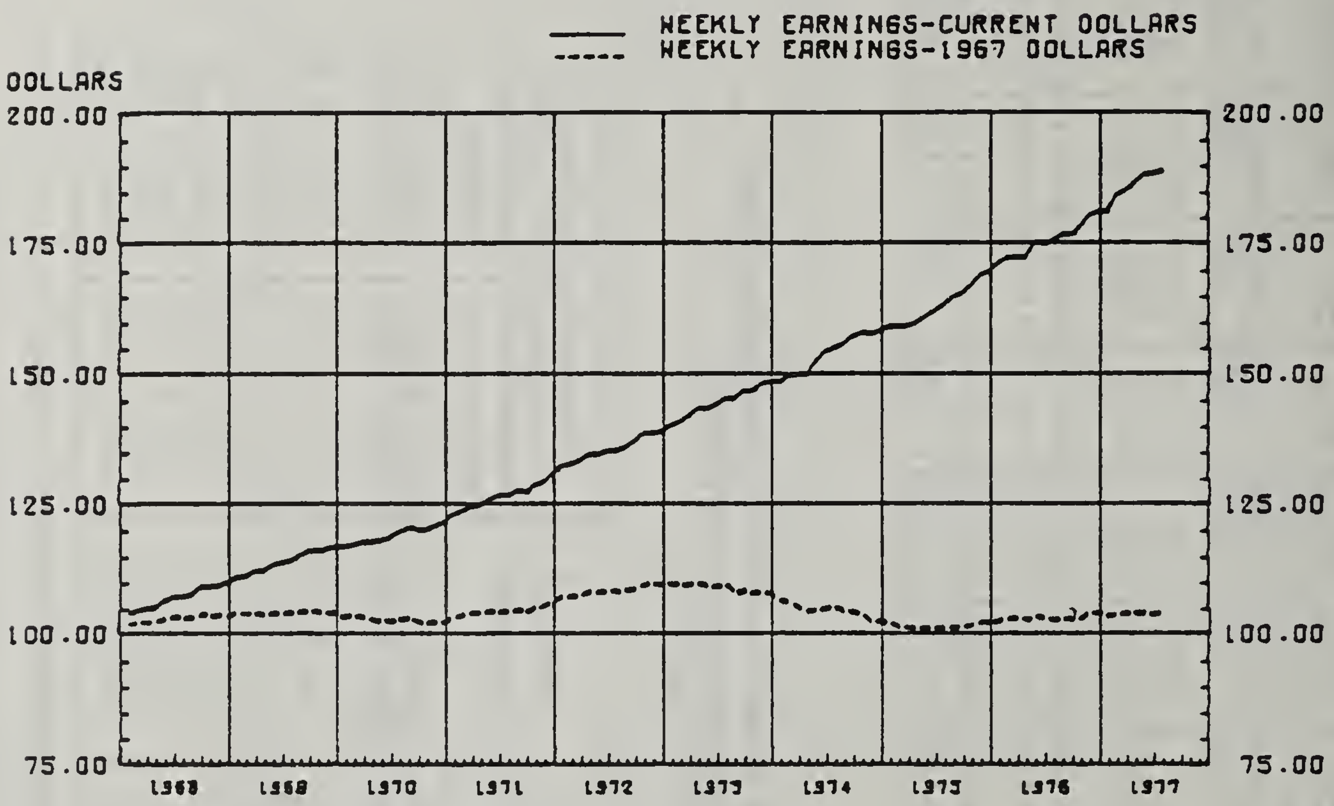
NOTE: Percentage change over the year in the Consumer Price Index (all items, 1967 = 100) 6.7

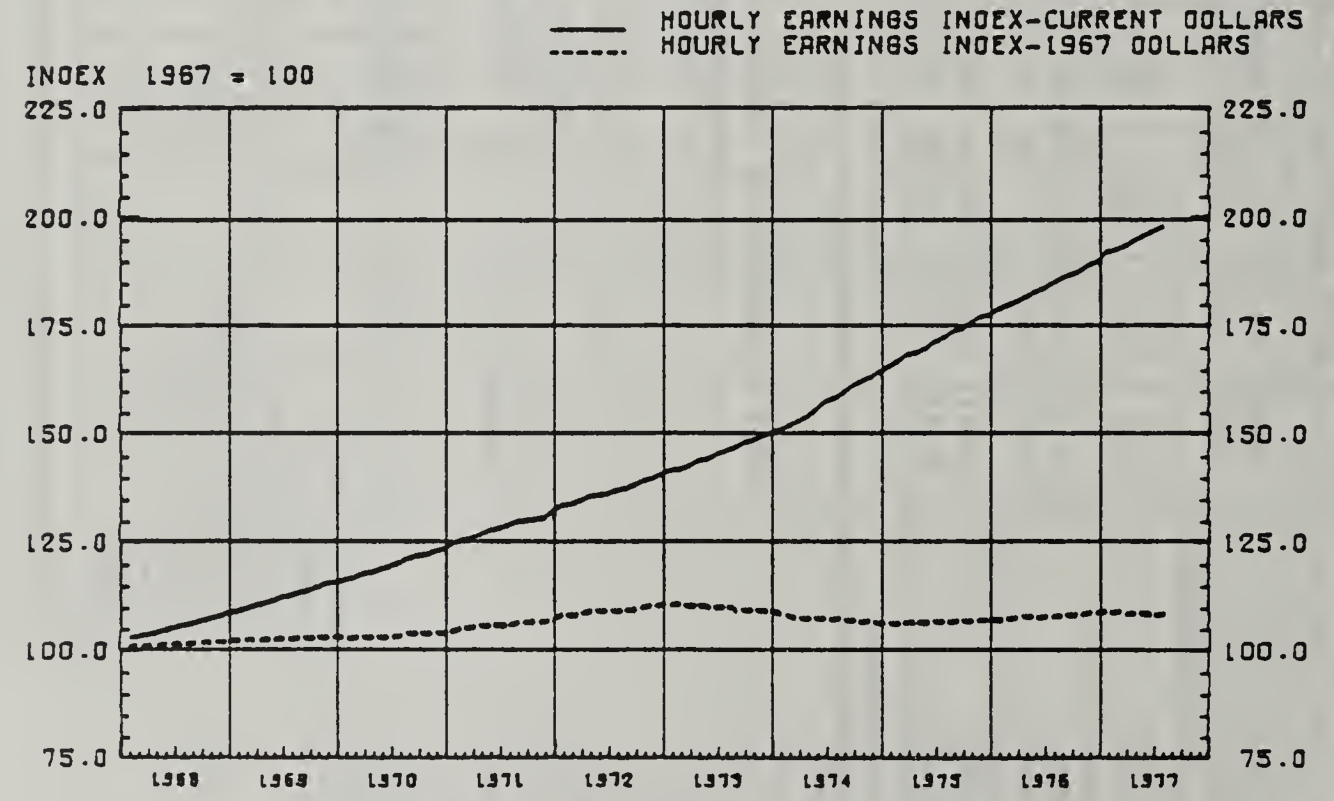
[1] Based on preliminary data for the current month. Hourly earnings index changes are based on seasonally adjusted data. Gross and weekly changes are based on data that are not seasonally adjusted.

[2] See footnote 1, table 1.

[3] Calculated for workers who earned the average weekly earnings.

PRIVATE NONFARM AVERAGE EARNINGS
SEASONALLY ADJUSTED





NOTE: Data for two most recent months are preliminary.

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